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# Public Accounts 1994-95

## Volume 1

### Main Financial Statements

UNIVERSITY OF ALBERTA

OCT - 5 1995

GOVERNMENT  
PUBLICATIONS

# Saskatchewan



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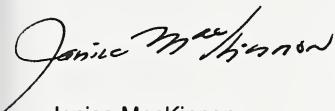
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To His Honour  
The Honourable John Wiebe  
Lieutenant Governor of the Province of Saskatchewan

May It Please Your Honour:

The undersigned has the honour to submit herewith the main financial statements of the Province of Saskatchewan for the fiscal year ended March 31, 1995.

Respectfully submitted,



Janice MacKinnon  
Minister of Finance

Regina, Saskatchewan  
September, 1995

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The Honourable Janice MacKinnon  
Minister of Finance

We have the honour of presenting herewith the main financial statements of the Province of Saskatchewan for the fiscal year ended March 31, 1995.

Respectfully submitted,



W. Davern Jones  
Deputy Minister of Finance



Gerry Kraus  
Provincial Comptroller

Regina, Saskatchewan  
September, 1995



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## Introduction to the Public Accounts

The 1994-95 Public Accounts of the Government of Saskatchewan are organized into two reports:

**Volume 1** contains the General Revenue Fund Financial Statements and the Summary Financial Statements. These two financial statements are the main financial statements of the Government of Saskatchewan.

The General Revenue Fund Financial Statements account for the financial transactions of the General Revenue Fund and the Province of Saskatchewan Sinking Funds. All public money is paid into the General Revenue Fund except where the Legislative Assembly has directed otherwise. The General Revenue Fund is available for appropriation for the public services of Saskatchewan.

The Summary Financial Statements consolidate the financial transactions of the General Revenue Fund, Crown corporations, agencies, boards and commissions. These consolidated statements provide a full accounting of the financial affairs and resources of all entities for which the Government is responsible.

Volume 1 also contains detailed information on public issue debentures and debentures issued to the Minister of Finance of Canada.

**Volume 2** contains the following:

- details on the revenues and expenses of the General Revenue Fund; and,
- other information including financial information on the assets, liabilities and residual balances of superannuation and trust funds administered by the Government, and a listing of remissions of taxes and fees.

A **compendium of financial statements** is provided separately from the Public Accounts. This two-part report is comprised of the financial statements of various government boards, agencies, commissions, superannuation funds, special purpose funds and institutions, as well as Crown corporations which are accountable to the Treasury Board. Financial statements for Crown corporations that are accountable to the Crown Management Board appear in a separate compendium of annual reports compiled by the Crown Management Board.



G. Kraus  
Provincial Comptroller

# **General Revenue Fund Financial Statements**

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## Responsibility for General Revenue Fund Financial Statements

The Government is responsible for the General Revenue Fund Financial Statements. The Government maintains a system of accounting and administrative controls to ensure accurate and reliable financial statements are prepared and to get reasonable assurance transactions are authorized, assets are safeguarded, and financial records maintained.

The Provincial Comptroller prepares these statements following the Government's stated accounting policies and using the Government's best estimates and judgement where appropriate.

The Provincial Auditor expresses an independent opinion on these statements. His report stating the scope of his audit and opinion appears on the following page.

Treasury Board approves the General Revenue Fund Financial Statements. The Minister of Finance tables the statements in the Legislative Assembly as part of the Public Accounts. The Legislative Assembly refers the Public Accounts to the Standing Committee on Public Accounts for review.

On behalf of the Government of the Province of Saskatchewan.



Janice MacKinnon  
Minister of Finance



W. Davern Jones  
Deputy Minister of Finance



Gerry Kraus  
Provincial Comptroller

Regina, Saskatchewan  
September, 1995

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## AUDITOR'S REPORT

To the Members of the Legislative Assembly  
of Saskatchewan

**These financial statements report transactions and events of the General Revenue Fund only. Significant financial activities of the Government occur outside this Fund. Therefore, readers should not use the General Revenue Fund's financial statements to understand and assess the Government's management of public financial affairs and resources as a whole.**

**Volume 1 of the Public Accounts includes a more complete set of financial statements. Those statements are called the *Summary Financial Statements* of the Government of Saskatchewan. Their purpose is to report the full nature and extent of the financial affairs and resources for which the Government is responsible. Please refer to those summary statements to understand and assess the Government's management of public financial affairs and resources as a whole.**

I have audited the balance sheet of the General Revenue Fund as at March 31, 1995 and the statements of revenue, expenses, and accumulated deficit and changes in cash and temporary investments for the year then ended. These financial statements are the responsibility of Treasury Board. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. My assessment and evaluation was based on the recommendations of The Canadian Institute of Chartered Accountants.

### **Reservation**

The Fund is responsible for the liabilities of several pension funds. Note 2 indicates those pension liabilities are not recorded in these financial statements. In my opinion, pension liabilities should be recorded in the financial statements. Had pension liabilities been recorded, liabilities and accumulated deficit would increase by \$3,320 million (1994 – \$3,172 million) and expenses would increase and surplus for the year would decrease by \$148 million (1994 – expenses and deficit for the year would increase by \$83 million).

### **Opinion**

In my opinion, except for the effects of the failure to record pension liabilities as described in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the General Revenue Fund as at March 31, 1995 and the results of its operations and the changes in its financial position for the year then ended following accounting principles recommended by The Canadian Institute of Chartered Accountants.



W. K. Strelloff, C.A.  
Provincial Auditor

Regina, Saskatchewan  
August 18, 1995

## General Revenue Fund Balance Sheet

As at March 31, 1995

		(thousands of dollars)	
		1995	1994
<b>Schedule</b>			
<b>Assets</b>			
Cash and temporary investments .....	\$ 50,130	\$ 160,167	
Prepaid expenses .....	3,502	2,374	
1 Accounts receivable .....	521,254	274,856	
Agricultural land held for resale .....	122,425	125,726	
Deferred charges.....	70,223	63,725	
Deferred foreign exchange loss .....	112,523	91,762	
2 Loans to Crown corporations .....	5,150,747	5,314,179	
3 Other loans .....	111,973	108,878	
Equity investment in Crown Investments Corporation of Saskatchewan .....	1,447,452	1,447,452	
Other investments .....	129	350	
<b>Total Assets</b>	<b>\$ 7,590,358</b>	<b>\$ 7,589,469</b>	
<b>Liabilities and Accumulated Deficit</b>			
4 Accounts payable and accrued liabilities .....	\$ 1,128,114	\$ 1,044,797	
5 Other liabilities.....	591,520	416,518	
Unearned revenue.....	62,972	47,282	
6 Debt .....	13,448,253	13,849,770	
Accumulated deficit .....	<b>(7,640,501)</b>	<b>(7,768,898)</b>	
<b>Total Liabilities and Accumulated Deficit</b>	<b>\$ 7,590,358</b>	<b>\$ 7,589,469</b>	

(See accompanying notes)

9 Guaranteed debt  
Pension liability, contingencies, and commitments  
(notes 2, 5, and 6)

# General Revenue Fund

## Statement of Revenue, Expenses, and Accumulated Deficit

For the Year Ended March 31, 1995

			(thousands of dollars)
	Budget 1995	Actual 1995	Actual 1994
<b>Schedule</b>			
<b>Revenue</b>			
10 Taxation .....	\$ 2,552,100	\$ 2,635,043	\$ 2,547,564
10 Transfers from the federal government .....	1,335,400	1,297,007	1,248,156
10 Non-renewable resources .....	393,000	717,737	452,457
10 Transfers from Government entities .....	306,300	294,870	167,666
10 Other revenue .....	254,900	280,705	263,899
<b>Total Revenue</b>	4,841,700	<b>5,225,362</b>	4,679,742
<b>Expenses</b>			
Agriculture and Food .....	320,801	<b>304,265</b>	325,218
Economic Development .....	37,542	<b>35,306</b>	36,357
Education, Training and Employment .....	888,654	<b>902,321</b>	864,519
Energy and Mines .....	16,436	<b>16,662</b>	16,266
Environment and Resource Management .....	95,338	<b>93,867</b>	110,811
Executive Council .....	7,725	<b>7,782</b>	6,689
Finance .....	152,345	<b>155,112</b>	146,154
Finance – Servicing the Debt .....	842,500	<b>881,581</b>	873,189
Health .....	1,509,825	<b>1,533,901</b>	1,464,324
Highways and Transportation .....	171,237	<b>177,578</b>	180,714
Indian and Metis Affairs Secretariat .....	23,460	<b>24,806</b>	13,344
Justice .....	172,174	<b>172,595</b>	165,750
Labour .....	10,049	<b>9,908</b>	9,720
Legislation .....	15,881	<b>15,559</b>	15,297
Municipal Government .....	187,681	<b>181,302</b>	169,026
New Careers Corporation .....	9,433	<b>9,433</b>	9,554
Provincial Auditor .....	3,815	<b>3,815</b>	3,815
Provincial Secretary .....	7,233	<b>7,387</b>	6,430
Public Service Commission .....	6,439	<b>6,377</b>	6,267
Saskatchewan Infrastructure Program .....	17,855	<b>6,191</b>	–
Saskatchewan Municipal Board .....	756	<b>755</b>	738
Saskatchewan Property Management Corporation .....	10,298	<b>10,298</b>	10,317
Saskatchewan Research Council .....	7,386	<b>7,386</b>	7,496
Saskatchewan Water Corporation .....	5,211	<b>5,192</b>	6,171
Social Services .....	509,458	<b>526,712</b>	502,656
Women's Secretariat .....	892	<b>874</b>	716
<b>Total Expenses (note 4)</b>	5,030,424	<b>5,096,965</b>	4,951,538
<b>Surplus (Deficit) for the Year</b>	(188,724)	<b>128,397</b>	(271,796)
Accumulated deficit, beginning of year (note 9) .....	(7,712,660)	<b>(7,768,898)</b>	(6,587,042)
Adjustment due to change in accounting policy (restated) (note 9) .....	–	–	(915,051)
Sinking fund earnings retained in sinking funds (note 9) .....	6,846	–	4,991
<b>Accumulated Deficit, End of Year (note 3)</b>	\$ (7,894,538)	<b>\$ (7,640,501)</b>	\$ (7,768,898)

(See accompanying notes)

## General Revenue Fund

### Statement of Changes in Cash and Temporary Investments

For the Year Ended March 31, 1995

		(thousands of dollars)	1995	1994
<b>Schedule</b>				
<b>Operating Activities</b>				
Surplus (deficit) for the year .....	\$ 128,397		\$ (271,796)	
Add (deduct) non-cash items				
Amortization of foreign exchange gains and losses .....	(5,344)		(6,070)	
11  Loss on loans and investments .....	1,101		20,810	
12  Net change in non-cash operating activities .....	(155,009)		(157,419)	
Sinking fund earnings retained in sinking funds .....	(7,080)		—	
<b>Cash Used for Operating Activities</b>	<b>(37,935)</b>		<b>(414,475)</b>	
<b>Loan, Investing, and Deposit Activities</b>				
13 Receipts .....	995,696		1,170,619	
13 Disbursements .....	686,304		842,247	
<b>Cash Provided by Loan, Investing, and Deposit Activities</b>	<b>309,392</b>		<b>328,372</b>	
<b>Changes in Cash Before Financing Activities</b>	<b>271,457</b>		<b>(86,103)</b>	
<b>Financing Activities</b>				
Proceeds from debt .....	1,717,964		1,249,626	
Repayment of debt .....	2,099,458		1,283,767	
<b>Cash Used for Financing Activities</b>	<b>(381,494)</b>		<b>(34,141)</b>	
<b>Net Decrease in Cash and Temporary Investments</b>	<b>(110,037)</b>		<b>(120,244)</b>	
Cash and temporary investments, beginning of year.....	160,167		280,411	
<b>Cash and Temporary Investments, End of Year*</b>	<b>\$ 50,130</b>		<b>\$ 160,167</b>	

(See accompanying notes)

\* Temporary investments include investments in securities of other governments of \$36.1 million (1994 – \$23.2 million).

The market value of cash and temporary investments is \$50.9 million (1994 – \$160.4 million).

# General Revenue Fund

## Notes to the Financial Statements

For the Year Ended March 31, 1995

### 1. Significant Accounting Policies

These financial statements are prepared using accounting principles appropriate for government and reflect the following significant accounting policies:

#### a) Reporting entity

These statements combine transactions of the General Revenue Fund and the Province of Saskatchewan Sinking Funds. The General Revenue Fund is the general fund which receives all revenues unless otherwise specified by law. Spending from the General Revenue Fund is appropriated by the Legislative Assembly.

These statements do not account for all financial affairs of the Saskatchewan Government. Other government entities such as special purpose funds, Crown corporations, and other agencies, report separately in other financial statements. Only financial transactions to or from these other entities are included in the General Revenue Fund. The net expenses/recoveries for revolving fund operations are charged to expense, and loans to third parties by revolving funds are reported as Other loans.

Summary financial statements which include the financial activities of the General Revenue Fund and other government entities (special purpose funds, Crown corporations, and other agencies) are provided separately.

#### b) Basis of accounting

The accrual basis of accounting is used and specifically expressed as follows:

##### Revenue

Revenue is recorded on the accrual basis except for payments from the federal government for corporate and personal income taxes, which are recorded on the cash basis.

##### Expenses

Expenses are recorded on the accrual basis and include the cost of capital property and inventories of supplies received during the year.

##### Assets

Reported assets are those assets on hand at the end of an accounting period which could provide resources to discharge existing liabilities or finance future operations.

*Temporary investments* are recorded at the lower of cost or market.

*Agricultural land held for resale* is valued at the lower of cost or net realizable value, on an aggregate basis.

*Deferred charges* include issue costs and net discounts or premiums incurred on the issue of long-term debt. They are recorded at cost and amortized on a straight line basis over the remaining life of the debt issue.

*Loans to Crown corporations* and *Other loans* generally have fixed repayment terms and are interest bearing. Short-term loans to Crown corporations are recorded at par; all other loans are recorded at cost. Interest received on these loans is netted against interest paid on money borrowed for these loans.

The *Equity investment in Crown Investments Corporation of Saskatchewan* has no fixed repayment terms, is non-interest bearing, and is carried at cost.

Loans and equity investments are written down to their net realizable value.

*Capital property* is expensed in the period acquired.

##### Liabilities

Reported liabilities include financial obligations to outside organizations and individuals as a result of transactions and events occurring prior to year end. They are the result of contracts, agreements and legislative provisions which require the General Revenue Fund to repay borrowings or to pay for goods and services acquired or provided prior to year end.

*Debt* is issued for general government purposes and for Crown corporations. All debt is carried at par. Foreign currencies are converted to the Canadian dollar equivalent at the exchange rate in effect at March 31. For debt issued for general government purposes, realized foreign exchange gains or losses are included in servicing the debt. Unrealized foreign exchange gains and losses are amortized on a straight line basis over the remaining life of the debt issue.

Premiums, discounts, and issue costs incurred on debt issued for general government purposes are recorded as deferred charges and amortized on a straight line basis over the remaining life of the debt issue.

Certain debenture issues require payments into a sinking fund. The General Revenue Fund is reimbursed by Crown corporations and others for all sinking fund payments made on debt incurred on their behalf.

Interest on money borrowed for Crown corporations and others is netted against interest reimbursed by these entities. As a result, the reported amount excludes the portion relating to borrowings for those entities. Total interest expense is \$1,428.9 million of which \$552.7 million is reimbursed from Crown corporations and others, resulting in a net charge to the General Revenue Fund of \$876.2 million. Amortization of discounts, premiums and commissions, and recognized foreign exchange gains and losses were a net charge to the General Revenue Fund of \$5.4 million.

The *Pension liability* is not recorded in the financial statements. The General Revenue Fund accounts for pension payments on a cash basis.

*Guaranteed debt* includes guarantees of the Government made through specific agreements or legislation. Loss provisions on guaranteed debt are recorded when it is likely that a loss will occur. The amount of the loss provision represents Government's best estimate of future payments less recoveries. The loss provision is recorded as a liability and an expense in the year determined and is adjusted as necessary to ensure it equals the expected payout of the guarantee.

# General Revenue Fund

## Notes to the Financial Statements

### 2. Pension Liability

The Government of Saskatchewan sponsors several contributory defined benefit pension plans for its employees and for members of the Legislative Assembly. These plans along with the Public Employees (Government Contributory) Annuity Fund, an annuity underwriting operation, are included in the following table. The defined benefit plans, except for the Judges of the Provincial Court Superannuation Plan, are closed membership pension plans. There are 12,599 active members and 13,084 superannuates in these defined benefit pension plans.

Defined benefit pension plans provide pensions based on length of service and pensionable earnings. A typical plan provides pensions equal to 2 per cent of a member's average five years highest salary, multiplied by the years of service to a maximum of 35 years. Pensions are integrated with the Canada Pension Plan. The Teachers' Superannuation Plan provides for inflation protection equal to 80 per cent of the annual increase in the

Consumer Price Index. The other plans provide inflation indexing at the discretion of the Lieutenant Governor in Council. For the year ended March 31, 1995, total benefit payments were \$227.9 million (1994 - \$216.1 million).

Members contribute at rates that range from 5 per cent to 9 per cent of their salary. Contribution rates are integrated with the Canada Pension Plan. The Government is required to match member contributions in respect of current year's service. For the year ended March 31, 1995, total contributions for current year's service were \$149.9 million (1994 - \$136.1 million).

A separate pension fund is not maintained for the Public Service Superannuation Plan. Instead, member contributions are recorded as revenue of the General Revenue Fund (GRF) and pension benefits are recorded as expenses of the GRF.

Separate pension funds are maintained for the other plans. Contributions are deposited in separate funds and benefits to plan members are payable from them. Pension fund assets are invested primarily in bonds and equities.

The unfunded pension liability is as follows:

Plan Name	Actuarial Valuation Date	Accrued Benefit Obligation	Pension Fund Assets	Unamortized Estimation Adjustments			March 31, 1995	March 31, 1994 (Restated)
				Net Obligation	\$	129,775	\$ 2,137,775	\$ 2,031,700
Teachers' Superannuation Plan .....	June 30/93	\$ 3,075,000	\$ 1,067,000	\$ 2,008,000	\$	129,775	\$ 2,137,775	\$ 2,031,700
Public Service Superannuation Plan .....	March 31/94	1,141,120		–	1,141,120	(13,853)	1,127,267	1,087,420
Members of the Legislative Assembly Superannuation Plan .....	March 31/94	29,243		3	29,240	(4,713)	24,527	24,346
Judges of the Provincial Court Superannuation Plan....	March 31/94	22,303	5,028	17,275		603	17,878	16,718
Saskatchewan Transportation Company Employees Superannuation Plan .....	March 31/94	23,341	17,111	6,230		459	6,689	5,660
Anti-TB League Employees Superannuation Plan .....	March 31/94	6,988	2,310	4,678		(464)	4,214	3,770
Public Employees (Government Contributory) Annuity Fund.....	March 31/95	38,298	36,210	2,088		–	2,088	2,190
<b>Total Pension Liability</b>		<b>\$ 4,336,293</b>	<b>\$ 1,127,662</b>	<b>\$ 3,208,631</b>	<b>\$ 111,807</b>		<b>\$ 3,320,438</b>	<b>\$ 3,171,804</b>

The pension liability is not recorded in the financial statements. The GRF accounts for pension payments on a cash basis.

Actuarial valuations are performed at least triennially using the projected benefit method prorated on services. These valuations are extrapolated by an actuary when a valuation is not performed in the current fiscal year. Actuarial valuations are based on a number of assumptions about future events, such as inflation rates, interest rates, wage and salary increases and employee turnover and mortality. The assumptions reflect the Government's best estimates in determining the actuarial value of accrued pension benefits. The expected long-term inflation rate is 4.5 per cent.

The valuation of pension fund assets is based on actual market values averaged over a five year period. In the periods between valuations, the value of pension fund assets is determined using expected long-term rates of return.

The Government is also a sponsor of the Public Employees (Government Contributory) Superannuation Plan (PESP). PESP is a multi-employer contributory defined contribution pension plan. There are 25,352 active members contributing to this plan. Members make contributions at a rate of 5 per cent of their salary. Employers are required to match member contributions in respect of current year's service. The Government has fully funded its share of contributions to PESP.

# General Revenue Fund

## Notes to the Financial Statements

### 3. Reserves

The accumulated deficit of \$7,640.5 million consists of two components, unallocated (\$7,723.3 million) and reserves (\$82.8 million). The Energy Security Reserve (\$70.9 million) was created for funding the development of energy resources. The Environmental Protection Reserve (\$11.9 million) was created to provide contingency funding to mitigate unforeseen environmental problems related to uranium milling. Both reserves are maintained at their March 31, 1992 balance.

### 4. Expenses by Function and by Object

Expenses by function are reported as follows:

	(thousands of dollars)	
	1995	1994
Agriculture .....	\$ 306,096	\$ 326,092
Community development .....	141,032	110,607
Debt charges .....	881,581	873,189
Economic development .....	64,346	65,141
Education .....	901,902	863,856
Environment and natural resources .....	93,269	109,370
Health .....	1,533,901	1,464,324
Protection of persons and property .....	183,790	176,442
Social services and assistance .....	575,848	551,990
Transportation .....	203,170	211,821
Other .....	212,030	198,706
<b>Total Expenses</b>	<b>\$ 5,096,965</b>	<b>\$ 4,951,538</b>

Expenses by object are reported as follows:

	(thousands of dollars)	
	1995	1994
Personal services .....	\$ 416,429	\$ 407,293
Travel .....	32,771	31,598
Transfers:		
Government entities .....	1,056,156	1,038,974
Other .....	2,049,861	1,915,182
Supplier payments .....	517,354	524,156
Other .....	142,813	161,146
Debt charges .....	881,581	873,189
<b>Total Expenses</b>	<b>\$ 5,096,965</b>	<b>\$ 4,951,538</b>

### 5. Contingencies

#### a) Guaranteed debt

At March 31, 1995, \$725.5 million (1994 - \$1,053.4 million) in loans were guaranteed by the Minister of Finance. Schedule 9 provides a listing of guaranteed debt.

#### b) Lawsuits

Up to \$1.8 million may be paid, depending on the outcome of lawsuits in progress.

#### c) Crop insurance liability

If the deficit in the Crop Reinsurance Fund of Saskatchewan cannot be recovered from future premiums, the General Revenue Fund will be required to pay these deficiencies. At year end, the deficiency of the Crop Reinsurance Fund of Saskatchewan was \$137.3 million. Repayment of this amount depends on future premiums exceeding future claims. The Crop Insurance Program is intended to break even over time.

#### d) Indian and Northern Affairs Canada

The Government pays for certain social services provided to status Indians and submits claims to the federal government for the cost of these services. The Government believes these costs are the responsibility of the federal government and believes they are fully reimbursable. However, the federal government denies responsibility for a portion of these costs.

The Government is unable to determine whether or not the outstanding amounts will be reimbursed. The Government will account for any recovery resulting from the resolution of this contingency at the time of settlement. No provision for such a recovery has been made in these financial statements.

### 6. Commitments

Major financial commitments include:

- treaty land entitlement agreement commitments valued at approximately \$200.2 million. Up to \$99 million will be due and payable over 10 years, up to \$86.2 million will be due and payable over 13 years, and up to \$15 million for rural municipality and school division tax loss compensation will be due and payable as land transfers achieve reserve status over the course of the agreements;
- research and development projects for new agriculture technology and opportunities in the agri-food industry, \$14.9 million payable over the next five years;
- Cumberland House Development Agreement, \$6.8 million payable over the next four years;
- Weyerhaeuser Canada Ltd. Agreement for road maintenance and construction, term indefinite, five year estimate of commitment, \$12.4 million;
- NorSask Forest Products Ltd. Agreement for road reconstruction, term indefinite, five year estimate of commitment, \$8.9 million;
- an agreement with Atomic Energy of Canada Limited (AECL) for cooperation in the development and implementation of initiatives related to the Saskatchewan energy sector, commits up to \$8.5 million, on a matching basis, over three years to December 31, 1996;
- capital grant projects, payable over the next four years, \$121.1 million;
- contracts for highway improvement, \$29.5 million;
- computer services agreements, \$27.2 million over five years; and,
- projects from participation in the Canada-Saskatchewan Infrastructure Works Program, \$41.7 million over two years.

## General Revenue Fund Notes to the Financial Statements

### 7. Related Party Transactions

Included in these financial statements are revenue and expense amounts resulting from routine operating transactions conducted at prevailing market prices with various Saskatchewan Crown controlled corporations and agencies with which the General Revenue Fund is related.

Account balances resulting from these transactions are included in the balance sheet and are settled on normal trade terms.

Approximately \$89.6 million of transactions between government departments and Saskatchewan Property Management Corporation were carried on during the year.

### 8. Trust Funds

Fund balances held and administered by the General Revenue Fund at March 31, 1995, were as follows:

	(thousands of dollars)	
	1995	1994
Superannuation funds and pension plans*	\$ 2,826,694	\$ 2,717,144
Public Trustee's Trust Account	95,855	94,729
Other trusts**	9,799	13,888
<b>Total</b>	<b>\$ 2,932,348</b>	<b>\$ 2,825,761</b>

\* The balance reflects the latest financial statements of the funds and plans closest to March 31, 1995.

\*\* Includes other trusts under \$10 million.

### 9. Comparative Figures

Certain of the 1994 figures have been reclassified to conform with the current year presentation except for sinking fund earnings. Sinking fund earnings are recorded as revenue for 1995 and as a charge to the accumulated deficit for 1994.

The accrual basis of accounting was implemented in the 1993-94 fiscal year. The effect of this accounting policy change is shown as a retroactive adjustment to the opening 1993-94 accumulated deficit. This adjustment to the opening 1993-94 accumulated deficit was restated during 1994-95 for accruals not previously recorded.

The net effect of this restatement is as follows:

	(thousands of dollars)	
	March 31, 1994	
Accumulated deficit, beginning of year .....	\$ (6,587,042)	
Adjustment due to change in accounting policy, as previously reported .....	\$ (858,813)	
Unpaid severance benefits.....	(14,486)	
Unpaid fuel tax rebates .....	(41,752)	
Adjustment due to change in accounting policy, restated.....	\$ (915,051)	(915,051)
Accumulated deficit, beginning of year, restated .....		(7,502,093)
Deficit for the year .....		(271,796)
Sinking fund earnings retained in sinking funds .....		4,991
Accumulated deficit, end of year, restated .....		\$ (7,768,898)

Liabilities were increased by \$56,238 to recognize unpaid severance benefits and unpaid fuel tax rebates.

This adjustment decreases the surplus for the 1994-95 fiscal year by \$2.2 million.

## General Revenue Fund

### Schedules to the Financial Statements

For the Year Ended March 31, 1995

#### Schedule 1 – Accounts Receivable

	(thousands of dollars)	
	1995	1994
Taxation .....	\$ 119,993	\$ 124,063
Transfers from the federal government .....	61,253	37,594
Non-renewable resources .....	85,594	42,380
Transfers from Government entities		
Saskatchewan Crop Insurance Corporation .....	193,551	–
Other .....	3,327	7,210
Other revenue.....	63,238	64,498
Other accounts receivable* .....	22,287	28,052
	<b>549,243</b>	303,797
Less: Provisions for losses.....	<b>27,989</b>	28,941
<b>Total Accounts Receivable</b>	<b>\$ 521,254</b>	\$ 274,856

\* Other accounts receivable includes \$1.5 million due from related parties (1994 – \$9.9 million).

#### Schedule 2 – Loans to Crown Corporations

	(thousands of dollars)	
	1995	1994*
<b>Short-term Loans</b>		
Agricultural Credit Corporation of Saskatchewan .....	\$ 97,861	\$ –
Crown Investments Corporation of Saskatchewan .....	261,195	249,809
Liquor and Gaming Authority .....	–	23,787
Saskatchewan Crop Insurance Corporation.....	–	8,903
Saskatchewan Gaming Corporation.....	797	–
Saskatchewan Opportunities Corporation .....	4,692	–
Saskatchewan Power Corporation.....	147,375	–
Saskatchewan Telecommunications.....	15,624	22,227
SaskEnergy Incorporated .....	89,150	–
<b>Total Short-term Loans</b>	<b>616,694</b>	304,726

	Principal Outstanding	Less Sinking Fund Equity	
<b>Long-term Loans</b>			
Agricultural Credit Corporation of Saskatchewan ..	\$ 281,392	\$ –	281,392
Crown Investments Corporation of Saskatchewan.....	697,291	–	697,291
Municipal Financing Corporation of Saskatchewan.....	79,667	–	79,667
Saskatchewan Crop Insurance Corporation .....	169,025	–	169,025
Saskatchewan Housing Corporation.....	287,304	–	287,304
Saskatchewan Power Corporation .....	2,195,243	212,704	1,982,539
Saskatchewan Telecommunications .....	580,893	99,833	481,060
Saskatchewan Water Corporation.....	16,030	1,104	14,926
SaskEnergy Incorporated .....	578,149	17,441	560,708
<b>Total Long-term Loans</b>	<b>\$ 4,884,994</b>	<b>\$ 331,082</b>	<b>4,553,912</b>
Less: Provision for loss .....			19,859

<b>Total Loans to Crown Corporations</b>	<b>\$ 5,150,747</b>	\$ 5,314,179
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\* Amounts shown are net of sinking fund equity.

## General Revenue Fund Schedules to the Financial Statements

### Schedule 3 – Other Loans

	(thousands of dollars)		
	1995		1994
<b>Economic Development</b>			
Economic Development Loans .....	\$ 9,932	\$ 5,004	\$ 11,134
Less: Provision for doubtful accounts .....	<u>4,928</u>		<u>4,655</u>
Hudson Bay Mining and Smelting Co. Ltd. .....		7,799	7,799
<b>Education, Training and Employment</b>			
Student Loan Program .....		90,567	90,567
<b>Finance</b>			
Treasury Advances .....		1,357	459
<b>Municipal Government</b>			
Agricultural Service Centres Agreement –			
Shareable .....		1,609	1,956
Winter Works Employment Program –			
Federal-Provincial .....		271	521
<b>Saskatchewan Municipal Board</b>			
Municipalities – Union Hospital Debt .....		4,186	–
<b>Other</b> .....		1,180	1,097
<b>Total Other Loans</b>	\$ 111,973		\$ 108,878

### Schedule 4 – Accounts Payable and Accrued Liabilities

	(thousands of dollars)		
	1995		1994
Personal services .....	\$ 18,368	\$ 17,602	
Travel .....	<u>3,430</u>	3,438	
Transfers .....	506,733	409,312	
Supplier payments .....	78,437	69,331	
Accrued interest .....	275,785	284,828	
Transfers repayable to the federal government .....	158,458	191,556	
Other accounts payable and accrued liabilities .....	86,903	68,730	
<b>Total Accounts Payable and Accrued Liabilities*</b>	\$ 1,128,114	\$ 1,044,797	

\* Total includes \$178.5 million payable to related parties (1994 – \$85.5 million), of which \$110.5 million is payable to Saskatchewan Crop Insurance Corporation (1994 – \$51.6 million) and \$172.6 million payable to the federal government (1994 – \$219.7 million).

# General Revenue Fund

## Schedules to the Financial Statements

### Schedule 5 – Other Liabilities

	(thousands of dollars)	
	1995	1994
Funds held on behalf of Government entities and others		
Beef Development Plan .....	\$ 2,236	\$ –
Cattle Marketing Deductions Fund.....	1,286	440
Fish and Wildlife Development Fund .....	2,428	1,774
Liquor and Gaming Authority .....	241,001	140,233
New Careers Corporation .....	3,680	4,884
Oil and Gas Environmental Fund.....	1,966	1,923
Public Employees' Dental Fund.....	3,535	5,017
Public Employees' Superannuation Fund .....	1,234	713
Public Trustee's Trust Account.....	3,065	2,940
Queen's Bench Court Accounts .....	7,230	10,333
Saskatchewan Crop Insurance Corporation .....	293,383	218,548
Saskatchewan Grain Car Corporation – Operating .....	3,134	2,367
Southeast Regional College .....	735	960
Student Aid Fund – General .....	9,245	8,748
Victims' Fund .....	5,937	5,948
Other .....	10,046	10,699
Conditional receipts .....	1,379	991
<b>Total Other Liabilities</b>	<b>\$ 591,520</b>	<b>\$ 416,518</b>

## General Revenue Fund Schedules to the Financial Statements

### Schedule 6 – Debt

	(thousands of dollars)					1994* Debt	
	1995			Less Sinking Funds**	Debt		
	Promissory Notes	Debentures					
<b>Crown Corporation Purposes</b>							
Agricultural Credit Corporation of Saskatchewan .....	\$ -	\$ 379,253	\$ -	\$ 379,253	\$ -	559,843	
Crown Investments Corporation of Saskatchewan .....	79,511	878,975	-	958,486	-	1,049,483	
Liquor and Gaming Authority .....	-	-	-	-	-	23,787	
Municipal Financing Corporation of Saskatchewan .....	-	79,667	-	79,667	-	79,667	
Saskatchewan Crop Insurance Corporation .....	-	169,025	-	169,025	-	200,423	
Saskatchewan Gaming Corporation .....	797	-	-	797	-	-	
Saskatchewan Housing Corporation .....	-	287,304	-	287,304	-	287,304	
Saskatchewan Opportunities Corporation..	4,692	-	-	-	4,692	-	
Saskatchewan Power Corporation .....	-	2,342,618	212,704	2,129,914	-	2,007,885	
Saskatchewan Telecommunications .....	-	596,517	99,833	496,684	-	521,178	
Saskatchewan Water Corporation .....	-	16,030	1,104	14,926	-	15,274	
SaskEnergy Incorporated .....	-	667,299	17,441	649,858	-	589,194	
<b>Total Crown Corporation Purposes</b>	<b>85,000</b>	<b>5,416,688</b>	<b>331,082</b>	<b>5,170,606</b>	-	<b>5,334,038</b>	
<b>General Government Purposes</b>	<b>-</b>	<b>8,381,470</b>	<b>103,823</b>	<b>8,277,647</b>	-	<b>8,515,732</b>	
<b>Total Debt***</b>	<b>\$ 85,000</b>	<b>\$ 13,798,158</b>	<b>\$ 434,905</b>	<b>\$ 13,448,253</b>	<b>\$</b>	<b>13,849,770</b>	

Debt repayable in foreign currency has been restated in Canadian dollar equivalents.

\* Amounts shown are net of sinking funds.

\*\* See Schedule 7 for information on sinking funds.

\*\*\* See Schedule 8 for information on debt by maturity.

### Schedule 7 – Summary of Sinking Funds

	(thousands of dollars)					1994 Total	
	1995			Crown Corporations' Share	Total		
	General Government Purposes						
Balance, beginning of year .....	\$ 66,267	\$ 317,154	\$ 383,421	\$ -	\$ -	472,669	
Contributions made during the year .....	30,292	18,905	49,197	-	-	44,886	
Earnings in the year .....	7,264	28,440	35,704	-	-	37,162	
	<b>103,823</b>	<b>364,499</b>	<b>468,322</b>	-	-	<b>554,717</b>	
Deduct: Funds applied on redemption .....	-	33,417	33,417	-	-	171,296	
<b>Balance, End of Year</b>	<b>\$ 103,823</b>	<b>\$ 331,082</b>	<b>\$ 434,905</b>	<b>\$</b>	<b>383,421</b>		

# General Revenue Fund

## Schedules to the Financial Statements

### Schedule 8 – Debt by Maturity

(thousands of dollars)

Year of Maturity	1995				1994	
	Canadian Dollar Debt	U.S. Dollar Debt (CDN \$)	Total (CDN \$)	Average Interest Rate	Total (CDN \$)	Average Interest Rate
1994-95 .....	\$ -	\$ -	\$ -	-	\$ 1,556,122	9.32%
1995-96 .....	829,134	-	829,134	11%	743,410	11.02%
1996-97 .....	1,252,843	-	1,252,843	9.31%	1,252,087	9.31%
1997-98 .....	680,946	-	680,946	8.76%	1,095,189	8.09%
1998-99 .....	978,517	-	978,517	9.56%	1,145,643	9.04%
1999-2000 .....	1,180,846	-	1,180,846	8.66%	-	-
<b>1-5 years</b>	<b>4,922,286</b>	-	<b>4,922,286</b>		<b>5,792,451</b>	
6-10 years.....	4,468,407	69,950	4,538,357	10.39%	3,747,398	10.73%
11-15 years.....	880,881	349,750	1,230,631	9.26%	1,122,433	9.50%
16-20 years.....	828,237	979,300	1,807,537	8.87%	1,614,746	8.43%
21-25 years.....	147	-	147	5.13%	584,203	10.25%
26-30 years.....	265,000	1,119,200	1,384,200	9.10%	1,371,960	9.10%
	<b>\$11,364,958</b>	<b>\$ 2,518,200</b>	<b>13,883,158</b>		<b>14,233,191</b>	
Less: Sinking funds			<b>434,905</b>			<b>383,421</b>
<b>Total Debt</b>			<b>\$ 13,448,253</b>		<b>\$ 13,849,770</b>	

The debentures in U.S. dollars have been converted to Canadian dollars at the exchange rate in effect at March 31, 1995 (1.3990) and March 31, 1994 (1.3837).

Debt includes Canada Pension Plan debentures of \$1,650.1 million (1994 – \$1,705.6 million) at a weighted average interest rate of 11.089 per cent, ranging from 8.21 per cent to 17.51 per cent. \$62.6 million of this amount is payable within one year. These debentures are redeemable in whole or in part before maturity, on six months prior notice, at the option of the Minister of Finance of Canada.

Included in debt are the following amounts:

- debentures totalling 37.0 billion yen (1994 – 32.0 billion) which have been fully hedged to \$356.3 million Canadian (1994 – \$289.1 million).
- debentures totalling 560 million U.S. dollars (1994 – 160.0 million) which have been fully hedged to \$756.6 million Canadian (1994 – \$203.5 million).
- debentures totalling 900.0 million Deutschemarks (1994 – 900.0 million) which have been fully hedged to \$616.6 million Canadian (1994 – \$616.6 million).
- debentures totalling 650.0 million Swiss francs (1994 – 650.0 million) which have been fully hedged to \$478.9 million Canadian (1994 – \$478.9 million).

# General Revenue Fund

## Schedules to the Financial Statements

### Schedule 9 – Guaranteed Debt

	(thousands of dollars)		
	<b>1995</b>		<b>1994</b>
<b>Crown Corporations</b>			
The Municipal Financing Corporation Act			
Guaranteed debentures .....	\$ 13,000	\$	17,000
CIC Mineral Interest Corporation			
Royal Trust, London Life lease .....	–		4,209
T. D., Mutual Life, London Life lease .....	–		28,173
The Power Corporation Act			
Xerox Canada Finance Inc. .....	21,237		22,398
Manalta Coal Ltd.* .....	35,531		36,770
Saskatchewan Power savings bonds			
Series I – series VII (matured).....	2,773		165,006
The Saskatchewan Development Fund Act			
Guaranteed investments .....	2,681		2,700
The Saskatchewan Telecommunications Act			
Telebonds – series I (matured) .....	1,894		7,800
Telebonds – series II .....	34,815		34,971
<b>Total Crown Corporations</b>	<b>111,931</b>		319,027
<b>Other</b>			
The Agricultural Societies Act			
Loans to exhibition associations .....	628		585
The Community Bonds Act.....	13,091		13,516
The Farm Financial Stability Act			
Breeder associations loan guarantees .....	17,450		13,881
Feeder associations loan guarantees .....	25,959		25,028
The Government Organization Act			
The Saskatchewan Roughriders Football Club .....	165		485
The Department of Highways and Transportation Act .....	371		507
The Housing and Special-care Homes Act			
Senior citizens' housing .....	655		755
The Industry and Commerce Development Act			
Saskferco Products Inc. .....	323,169		319,635
The NewGrade Energy Inc. Act			
NewGrade Energy Inc. .....	232,080		360,000
<b>Total Other</b>	<b>613,568</b>		734,392
<b>Total Guaranteed Debt**</b>	<b>\$ 725,499</b>	\$	1,053,419

In addition to the amount shown, there is a contingent liability for interest accrued on these items.

For more information on pension liability, contingencies, and commitments, see notes 2, 5, and 6.

\* The amount is net of \$9.5 million which is Manalta's equity in the sinking fund administered by the Minister of Finance (1994 – \$8.2 million).

\*\* Total guaranteed debt is net of a loss provision of \$4.4 million (1994 – \$4.0 million).

# General Revenue Fund

## Schedules to the Financial Statements

### Schedule 10 – Revenue

(thousands of dollars)

	Budget 1995	Actual 1995	Actual 1994
<b>Taxation</b>			
Corporation capital .....	\$ 162,100	\$ 196,633	\$ 171,179
Corporation income.....	121,800	161,866	145,616
Fuel .....	327,200	331,628	343,563
Individual income .....	1,104,200	1,057,489	1,067,585
Sales .....	685,600	728,804	666,055
Tobacco .....	108,000	115,587	110,813
Other .....	43,200	43,036	42,753
<b>Total Taxes</b>	2,552,100	<b>2,635,043</b>	2,547,564
<b>Transfers from the Federal Government</b>			
Canada Assistance Plan .....	226,800	<b>238,948</b>	227,955
Equalization .....	605,000	<b>540,240</b>	537,534
Established Programs Financing .....	394,300	<b>414,824</b>	394,740
Other .....	109,300	<b>102,995</b>	87,927
<b>Total Transfers from the Federal Government</b>	1,335,400	<b>1,297,007</b>	1,248,156
<b>Non-renewable Resources</b>			
Coal.....	14,500	<b>15,706</b>	15,280
Natural gas .....	90,700	<b>61,410</b>	50,263
Oil .....	211,900	<b>528,572</b>	300,377
Potash.....	49,100	<b>88,990</b>	51,314
Uranium .....	24,800	<b>20,152</b>	31,707
Other .....	2,000	<b>2,907</b>	3,516
<b>Total Non-renewable Resources</b>	393,000	<b>717,737</b>	452,457
<b>Transfers from Government Entities</b>			
Crown Investments Corporation of Saskatchewan.....	60,000	–	35,434
Liquor and Gaming Authority			
Liquor .....	150,000	–	90,000
Gaming .....	81,000	<b>97,200</b>	26,000
Saskatchewan Crop Insurance Corporation .....	–	<b>193,551</b>	–
Other enterprises and funds .....	15,300	<b>4,119</b>	16,232
<b>Total Transfers from Government Entities</b>	306,300	<b>294,870</b>	167,666
<b>Other Revenues</b>			
Agricultural land .....	25,800	<b>27,900</b>	23,660
Fines, forfeits, and penalties.....	10,300	<b>9,753</b>	11,057
Interest, premium, discount, and exchange .....	12,400	<b>26,685</b>	12,770
Lands, forests, game, fur, and fisheries fees .....	14,600	<b>16,141</b>	14,869
Motor vehicle fees.....	86,000	<b>90,544</b>	85,099
Other licences and permits .....	27,400	<b>26,960</b>	26,544
Sales, services, and service fees .....	53,200	<b>53,703</b>	58,832
Transfers from other governments .....	8,200	<b>8,466</b>	8,857
Other .....	17,000	<b>20,553</b>	22,211
<b>Total Other Revenues</b>	254,900	<b>280,705</b>	263,899
<b>Total Revenue</b>	\$ 4,841,700	<b>\$ 5,225,362</b>	\$ 4,679,742

## General Revenue Fund Schedules to the Financial Statements

### Schedule 11 – Loss on Loans and Investments

	(thousands of dollars)		
	1995	1994	
Loans to Crown corporations .....	\$ –	\$ 19,859	
Other loans .....	522	548	
Loss on sale of land .....	579	403	
<b>Total Loss on Loans and Investments</b>	<b>\$ 1,101</b>	<b>\$ 20,810</b>	

### Schedule 12 – Net Change in Non-cash Operating Activities

	(thousands of dollars)		
	1995	1994	
Increase in prepaid expenses .....	\$ (1,128)	\$ (173)	
Increase in accounts receivable .....	(246,398)	(187,223)	
Increase in deferred charges .....	(6,498)	(1,015)	
Increase in accounts payable and accrued liabilities .....	83,325	17,836	
Increase in unearned revenue .....	15,690	13,156	
<b>Net Change in Non-cash Operating Activities</b>	<b>\$ (155,009)</b>	<b>\$ (157,419)</b>	

# General Revenue Fund

## Schedules to the Financial Statements

### Schedule 13 – Loan, Investing, and Deposit Activity

	(thousands of dollars)			
	1995 Receipts	1995 Disbursements	1994 Receipts	1994 Disbursements
<b>Loans</b>				
Agricultural Credit Corporation of Saskatchewan ..	\$ 278,451	\$ 97,861	\$ 21,804	\$ –
Crown Investments Corporation of Saskatchewan.....	102,383	11,386	190,903	116,088
Liquor and Gaming Authority.....	23,787	–	–	23,787
Saskatchewan Crop Insurance Corporation .....	47,712	16,314	41,720	76,714
Saskatchewan Gaming Corporation .....	–	797	–	–
Saskatchewan Opportunities Corporation.....	–	4,692	–	–
Saskatchewan Power Corporation .....	20,000	147,375	446,028	259,787
Saskatchewan Telecommunications .....	31,603	–	110,108	22,227
Saskatchewan Water Corporation.....	–	–	–	15,000
SaskEnergy Incorporated .....	25,000	89,150	10,066	–
Other .....	96,334	95,949	57,919	44,404
<b>Total Loan Receipts and Disbursements</b>	<b>625,270</b>	<b>463,524</b>	<b>878,548</b>	<b>558,007</b>
<b>Investments</b>				
Agricultural land and improvements .....	2,780	57	2,161	100
Other .....	277	64	689	44
<b>Total Investment Receipts and Disbursements</b>	<b>3,057</b>	<b>121</b>	<b>2,850</b>	<b>144</b>
<b>Deposits</b>				
Government entities and others .....	348,464	173,462	258,142	239,210
Sinking funds.....	18,905	49,197	20,544	44,886
Redemption of sinking funds.....	–	–	10,535	–
<b>Total Deposit Receipts and Disbursements</b>	<b>367,369</b>	<b>222,659</b>	<b>289,221</b>	<b>284,096</b>
<b>Total Receipts and Disbursements</b>	<b>995,696</b>	<b>686,304</b>	<b>1,170,619</b>	<b>842,247</b>
<b>Total Excess of Receipts over Disbursements</b>	<b>\$ 309,392</b>		<b>\$ 328,372</b>	

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## **Summary Financial Statements**

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## Government of Saskatchewan Responsibility for the Summary Financial Statements

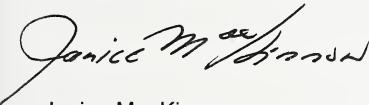
The Government is responsible for the Summary Financial Statements. The Government maintains a system of accounting and administrative controls to ensure accurate and reliable financial statements are prepared and to get reasonable assurance transactions are authorized, assets are safeguarded, and financial records maintained.

The Provincial Comptroller prepares these statements following the Government's stated accounting policies and using the Government's best estimates and judgement where appropriate. He uses information from the accounts of the General Revenue Fund, Crown corporations, agencies, and other funds to prepare these statements.

The Provincial Auditor expresses an independent opinion on these statements. His report stating the scope of his audit and opinion appears on the following page.

Treasury Board approves the Summary Financial Statements. The Minister of Finance tables the statements in the Legislative Assembly as part of the Public Accounts. The Legislative Assembly refers the Public Accounts to the Standing Committee on Public Accounts for review.

On behalf of the Government of the Province of Saskatchewan.



Janice MacKinnon  
Minister of Finance



W. Davern Jones  
Deputy Minister of Finance



Gerry Kraus  
Provincial Comptroller

Regina, Saskatchewan  
September, 1995

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## AUDITOR'S REPORT

To the Members of the Legislative Assembly  
of Saskatchewan

I have audited the summary balance sheet of the Government of Saskatchewan as at March 31, 1995 and the summary statements of revenue, expenses and accumulated deficit and changes in cash and temporary investments for the year then ended. These financial statements are the responsibility of Treasury Board. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. My assessment and evaluation was based on the recommendations of The Canadian Institute of Chartered Accountants.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Government of Saskatchewan as at March 31, 1995 and the results of its operations and the changes in its financial position for the year then ended following accounting principles for governments recommended by The Canadian Institute of Chartered Accountants.



W. K. Strelloff, C.A.  
Provincial Auditor

Regina, Saskatchewan  
August 18, 1995

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# Government of Saskatchewan

## Summary Balance Sheet

As at March 31, 1995

		(thousands of dollars)	
		1995	1994 (Restated)
<b>Schedule</b>			
<b>Assets</b>			
1	Cash and temporary investments .....	\$ 219,675	\$ 446,656
	Prepaid expenses .....	31,605	21,806
1	Accounts receivable .....	855,126	459,123
	Inventories held for resale .....	12,581	8,457
	Land held for resale .....	131,572	135,203
	Deferred charges .....	86,826	84,160
	Deferred foreign exchange loss .....	112,523	91,762
2	Loans receivable .....	492,346	583,961
3	Investment in government enterprises .....	1,967,996	1,790,305
4	Other investments .....	1,256,966	1,121,422
<b>Total Assets</b>		<b>\$ 5,167,216</b>	\$ 4,742,855
<b>Liabilities and Accumulated Deficit</b>			
5	Accounts payable and accrued liabilities .....	\$ 1,872,585	\$ 1,529,159
6	Other liabilities .....	265,633	161,587
	Unearned revenue .....	86,354	80,483
7&8	Public debt .....	10,111,840	10,473,610
	Pension liabilities (note 3) .....	3,320,438	3,171,804
		<b>15,656,850</b>	15,416,643
	Accumulated deficit .....	<b>(10,489,634)</b>	(10,673,788)
<b>Total Liabilities and Accumulated Deficit</b>		<b>\$ 5,167,216</b>	\$ 4,742,855

(See accompanying notes)

- Capital property (note 2)
- 9 Guaranteed debt (note 7)
- Contingencies and commitments (notes 7 and 8)

# Government of Saskatchewan

## Summary Statement of Revenue, Expenses, and Accumulated Deficit

For the Year Ended March 31, 1995

	(thousands of dollars)	
	1995	1994 (Restated)
<b>Schedule</b>		
<b>Revenue</b>		
10 Taxation .....	\$ 2,642,264	\$ 2,536,389
10 Transfers from the federal government.....	1,511,754	1,488,011
10 Non-renewable resources .....	733,150	468,705
10 Other .....	892,411	768,632
<b>Total Revenue</b>	<b>5,779,579</b>	5,261,737
<b>Expenses</b>		
Agriculture .....	553,775	693,237
Community development.....	179,676	145,178
Debt charges.....	1,338,559	1,285,522
Economic development.....	79,270	79,231
Education .....	874,292	848,909
Environment and natural resources .....	116,044	150,854
Health .....	1,621,839	1,552,665
Protection of persons and property.....	187,049	177,661
Social services and assistance .....	583,617	549,837
Transportation .....	207,968	212,260
Other .....	210,048	156,823
<b>Total Expenses (note 5)</b>	<b>5,952,137</b>	5,852,177
Deficit from government service organizations.....	(172,558)	(590,440)
3 Income from government enterprises .....	356,712	337,764
<b>Surplus (Deficit) for the Year .....</b>	<b>184,154</b>	(252,676)
Accumulated deficit, beginning of year, as restated (note 11) .....	(10,673,788)	(10,421,112)
<b>Accumulated Deficit, End of Year (note 4)</b>	<b>\$ (10,489,634)</b>	\$ (10,673,788)

(See accompanying notes)

# Government of Saskatchewan

## Summary Statement of Changes in Cash and Temporary Investments

For the Year Ended March 31, 1995

		(thousands of dollars)	
		1995	1994 (Restated)
<b>Schedule</b>			
<b>Operating Activities</b>			
Surplus (deficit) for the year .....	\$ 184,154	\$ (252,676)	
Add (deduct) non-cash items			
Income from government enterprises .....	(356,712)	(337,764)	
Amortization of foreign exchange gains and losses .....	(5,344)	(6,070)	
11 (Gain) loss on loans and investments .....	(73,418)	101,823	
Other .....	—	(806)	
12 Net change in non-cash operating activities .....	28,320	77,083	
<b>Cash Provided by (Used for) Operating Activities</b>	<b>(223,000)</b>		(418,410)
<b>Investing Activities</b>			
Disposal of land held for resale .....	3,631	2,380	
Acquisition of other investments .....	(252,520)	(49,853)	
Disposition of other investments .....	190,394	33,433	
(Increase) decrease in equity advances to government enterprises .....	—	73,000	
Capital restructuring of government enterprises .....	(59,650)	(191,184)	
<b>Cash Provided by (Used for) Investing Activities</b>	<b>(118,145)</b>		(132,224)
<b>Changes in Cash Before Financing Activities</b>	<b>(341,145)</b>		(550,634)
<b>Financing Activities</b>			
Proceeds from public debt .....	1,440,449	833,960	
Repayment of public debt .....	(1,817,636)	(503,560)	
Dividends from government enterprises .....	238,671	282,706	
Increase (decrease) in pension and other liabilities .....	252,680	104,431	
<b>Cash Provided by (Used for) Financing Activities</b>	<b>114,164</b>		717,537
<b>Net Increase (Decrease) in Cash and Temporary Investments</b> .....	<b>(226,981)</b>		166,903
Cash and temporary investments, beginning of year .....	446,656	279,753	
<b>Cash and Temporary Investments, End of Year*</b>	<b>\$ 219,675</b>		\$ 446,656

(See accompanying notes)

\* Temporary investments include investments in securities of other governments of \$36.1 million (1994 – \$23.2 million).

# Government of Saskatchewan

## Notes to the Summary Financial Statements

For the Year Ended March 31, 1995

### 1. Significant Accounting Policies

These Summary Financial Statements are prepared using accounting principles appropriate for government and reflect the following significant accounting policies:

#### a) Reporting entity

These financial statements report the financial activities of organizations which are accountable for the administration of their financial affairs and resources either to a Minister of the Government or directly to the Legislative Assembly and which are owned or controlled by the Government, as determined by legislative provisions or by a majority holding of voting share capital.

Trusts administered by the Government are excluded from the reporting entity.

A listing of organizations included in the reporting entity is provided in schedule 13.

#### b) Method of consolidation

The accounts of all government organizations, except those designated as government enterprises, are consolidated after adjusting them to a basis consistent with the accounting policies described in note 1(c). These organizations are referred to as government service organizations. Significant inter-organization accounts and transactions are eliminated.

Government enterprises are defined as organizations that have the financial and operating authority to carry on a business. This includes contracting in their own name, and selling goods and services to individuals and non-government organizations as their principal activity and source of revenue.

Government enterprises are recorded using the modified equity method. The Government's investment, which is initially recorded at cost, is adjusted annually to include the net earnings/losses and other net equity changes of the enterprise without adjusting them to conform with the accounting policies described below. Inter-organization accounts and transactions are not eliminated.

Financial results of government organizations whose fiscal year-ends are not March 31 are not adjusted unless the effect of such an adjustment would be significant to the consolidated operating results.

#### c) Basis of accounting

The accrual basis of accounting is used and specifically expressed as follows:

##### Revenue

Revenue is recorded on the accrual basis except for payments from the federal government for corporate and personal income taxes, which are recorded on the cash basis.

##### Expenses

Expenses are recorded on the accrual basis and include the cost of capital property and inventories of supplies received during the year.

#### Assets

Reported assets are those assets on hand at the end of an accounting period which could provide resources to discharge existing liabilities or finance future operations.

*Temporary investments* are recorded at the lower of cost and market.

*Inventories held for resale* are recorded at the lower of cost and net realizable value. *Inventories of supplies* are expensed.

*Land held for resale* is valued at the lower of cost or net realizable value, on an aggregate basis.

*Deferred charges* include issue costs and net discounts or premiums incurred on the issue of long-term debt. They are recorded at cost and amortized on a straight line basis over the remaining life of the debt issue.

*Loans receivable* are recorded at the lower of cost and net realizable value.

*Other investments* in bonds, debentures and mortgages are recorded at amortized cost. Other investments in shares of private and public companies are recorded at cost and dividends from these shares are recorded as income when receivable. Where the Government has investments in shares and exercises significant influence but has less than a controlling interest, the investments are accounted for by the equity method. Using this method, the carrying value of the investment is adjusted for the Government's share of the investee's net earnings or losses and reduced by dividends received from these shares. Other investments are written down to their net realizable value where there is evidence of a permanent decline in their value.

*Capital property* held by government service organizations is expensed in the period acquired. Capital property held by government enterprises, as disclosed on schedule 3, is generally recorded at cost and amortized on a straight line basis over the estimated productive life of each asset.

#### Liabilities

Reported liabilities include financial obligations to outside organizations and individuals as a result of transactions and events occurring prior to year end. They are the result of contracts, agreements and legislative provisions which require the Government to repay borrowings or to pay for goods and services acquired or provided prior to year end.

*Public debt* consists of promissory notes, debentures and annuities of government service organizations which are recorded net of amounts reimbursable from government enterprises. These obligations are recorded at principal less sinking fund balances where applicable.

Public debt is recorded at par. Premiums, discounts and issue costs are recorded as deferred charges and amortized on a straight line basis over the remaining life of the debt issue. Where borrowing is used to finance loans to government enterprises, all expenses are charged directly to government enterprises.

Certain debenture issues require payments into a sinking fund.

# Government of Saskatchewan

## Notes to the Summary Financial Statements

All debentures due in foreign currency have been converted to Canadian dollar equivalent at the exchange rate in effect at March 31. Realized foreign exchange gains and losses are included in the annual net income or loss. Unrealized foreign exchange gains and losses are amortized on a straight line basis over the remaining life of the debt issue.

The *pension liability* is calculated using the projected benefit method prorated on services. Pension fund assets are valued at market related values. Changes in the pension liability as a result of estimation adjustments due to experience gains and losses and changes in actuarial assumptions are amortized over the expected average remaining service life of the related employee group. Gains or losses as a result of plan amendments are recognized in the period of the plan amendment.

*Guaranteed debt* includes guarantees of the Government made through specific agreements or legislation. Loss provisions on guaranteed debt are recorded when it is likely that a loss will occur. The amount of the loss provision represents the Government's best estimate of future payments less recoveries. The loss provision is recorded as a liability and an expense in the year determined and is adjusted as necessary to ensure it equals the expected payout of the guarantee.

## 2. Capital Property

The Government has a significant investment in *capital property* which has a useful life of greater than one year. For government service organizations, capital property is expensed in the period acquired. In the current year, government service organizations acquired capital property costing \$102.7 million (1994 – \$105.8 million).

The Saskatchewan Property Management Corporation and the Saskatchewan Housing Corporation hold a substantial portion of the capital property on hand and available for use by the Government. The following table includes the capital property held by these and most other government service organizations but does not include:

- capital property held by government enterprises. This information is disclosed in schedule 3;
- infrastructure, such as highways, bridges, and dams;
- land acquired for parks and recreation, highway construction, or held for resale;
- capital property held by the General Revenue Fund. However, the majority of capital property used to deliver General Revenue Fund programs is held by the Saskatchewan Property Management Corporation; and
- capital property purchased with the Government's grant monies. The Government provides monies to other governments, authorities or individuals in the form of capital grants and contributions which are specifically used to acquire capital property or property that is available for public use.

	Capital Property			(thousands of dollars)	
	Cost	Accumulated Amortization	Net Book Value		
Land .....	\$ 64,038	\$ –	\$ 64,038		
Buildings.....	1,527,923	346,802	1,181,121		
Vehicles .....	59,513	34,342	25,171		
Machinery and equipment .....	325,366	162,125	163,241		
Aircraft .....	2,179	920	1,259		
Furniture.....	11,537	6,638	4,899		
Capital leases.....	76,815	27,814	49,001		
Other .....	71,715	16,139	55,576		
Total	\$ 2,139,086	\$ 594,780	\$ 1,544,306		

## 3. Pension Liability

### a) Contributory defined benefit pension plans

The Government of Saskatchewan sponsors several defined benefit pension plans for its employees and for members of the Legislative Assembly. The defined benefit pension plans, except for the Judges of the Provincial Court Superannuation Plan (Judges), are closed membership pension plans.

Defined benefit pension plans provide pensions based on length of service and pensionable earnings. A typical plan provides pensions equal to 2 per cent of a member's average five years highest salary, multiplied by the years of service to a maximum of 35 years. Pensions are integrated with the Canada Pension Plan. The Teachers' Superannuation Plan provides for inflation protection equal to 80 per cent of the annual increase in the Consumer Price Index. Most of the other plans provide inflation indexing at the discretion of the Lieutenant Governor in Council.

### Government service organizations

Defined benefit pension plans of government service organizations along with the Public Employees (Government Contributory) Annuity Fund, an annuity underwriting operation, are included in the table on the following page.

The membership data of these defined benefit pension plans are as follows:

Number of active members.....	12,599
Average age of active members.....	46.3
Former members entitled to deferred pension benefits .....	19,605
Number of superannuates and surviving spouses .....	13,084

For the year ended March 31, 1995, total benefit payments were \$227.9 million (1994 – \$216.1 million).

Plan members make contributions at the following rates:

- Teachers' Superannuation Plan – 7.85 per cent of their salary;
- Public Service Superannuation Plan – 7 per cent, 8 per cent or 9 per cent of their salary, depending on their age; and,
- Other plans – 5 per cent to 9 per cent of their salary.

## Government of Saskatchewan

### Notes to the Summary Financial Statements

Contribution rates are integrated with the Canada Pension Plan. The Government is required to match member contributions in respect of current year's service for all plans, except for the Public Service Superannuation Plan (PSSP) and Judges. For the year ended March 31, 1995, total contributions for current year's service were \$149.9 million (1994 - \$136.1 million).

A separate pension fund is not maintained for PSSP. The Government uses member contributions to finance its

operations in return for the promise to meet all pension obligations arising from PSSP. Separate pension funds are maintained for the other plans.

Contributions are deposited into separate funds and benefits to plan members are payable from them. Pension fund assets are invested primarily in bonds and equities.

The unfunded pension liability is as follows:

Plan Name	Actuarial Valuation Date	Accrued Benefit Obligation	Pension Fund Assets	(thousands of dollars)			March 31, 1995	March 31, 1994 (Restated)
				Net Obligation	Unamortized Estimation Adjustments			
Teachers' Superannuation Plan .....	June 30/93	\$ 3,075,000	\$ 1,067,000	\$ 2,008,000	\$ 129,775	\$ 2,137,775	\$ 2,031,700	
Public Service Superannuation Plan .....	March 31/94	1,141,120	—	1,141,120	(13,853)	1,127,267		1,087,420
Members of the Legislative Assembly Superannuation Plan .....	March 31/94	29,243	3	29,240	(4,713)	24,527		24,346
Judges of the Provincial Court Superannuation Plan ....	March 31/94	22,303	5,028	17,275	603	17,878		16,718
Saskatchewan Transportation Company Employees Superannuation Plan .....	March 31/94	23,341	17,111	6,230	459	6,689		5,660
Anti-TB League Employees Superannuation Plan .....	March 31/94	6,988	2,310	4,678	(464)	4,214		3,770
Public Employees (Government Contributory) Annuity Fund.....	March 31/95	38,298	36,210	2,088	—	2,088		2,190
<b>Total Pension Liability</b>		<b>\$ 4,336,293</b>	<b>\$ 1,127,662</b>	<b>\$ 3,208,631</b>	<b>\$ 111,807</b>	<b>\$ 3,320,438</b>		<b>\$ 3,171,804</b>

The unamortized estimation adjustments are amortized on a straight line basis over the expected average remaining service life of the related employee group.

Actuarial valuations are performed at least triennially using the projected benefit method prorated on services. These valuations are extrapolated by an actuary when a valuation is not performed in the current fiscal year. Actuarial valuations are based on a number of assumptions about future events, such as inflation rates, interest rates, wage and salary increases and employee turnover and mortality. The assumptions reflect the Government's best estimates in determining the actuarial value of accrued pension benefits. The expected long-term inflation rate is 4.5 per cent.

The value of pension fund assets is based on actual market values averaged over a five year period. In the periods between valuations, the value of pension fund assets is determined using expected long-term rates of return.

The total pension related expenditures include the following components:

	(thousands of dollars)	
	1995	1994 (Restated)
Current period benefit cost.....	\$ 67,513	\$ 76,853
Plan amendments .....	18,498	11,430
Amortization of estimation adjustments .....	4,413	1,700
Other .....	2,191	(16,402)
	92,615	73,581
Less: Employee contributions .....	(30,675)	(31,189)
Pension expenses .....	61,940	42,392
Cost of financing unfunded pension obligation (pension interest expenses) .....	274,064	212,181
<b>Total Pension Related Expenses</b>	<b>\$ 336,004</b>	<b>\$ 254,573</b>

Pension expenses are included in the Summary Statement of Revenues, Expenses, and Accumulated Deficit as components of education and other expenses. Pension interest expenses are shown in the statement as debt charges.

# Government of Saskatchewan

## Notes to the Summary Financial Statements

### Government enterprises

The two main defined benefit pension plans of government enterprises are the Power Corporation Superannuation Plan (Power) and the Saskatchewan Telecommunications Superannuation Plan (SaskTel). There are 2,382 active members and 2,715 superannuates in these plans.

Members of Power and SaskTel make contributions at a rate of 7 per cent, 8 per cent or 9 per cent of their salary depending on their age and date of commencement of employment. The contribution rates are integrated with the Canada Pension Plan.

The Government contributes the amount necessary to fund the payment of pension benefits. For the year ended March 31, 1995, total contributions for current year's service were \$10.5 million (1994 – \$11.0 million). Pension fund assets are invested primarily in bonds and equities.

Based on the latest actuarial valuations extrapolated to December 31, 1994, the present value of accrued pension benefits and the market related value of pension fund assets in the defined benefit pension plans of government enterprises are as follows:

Plan Name	Actuarial Valuation Date	(thousands of dollars)			
		Accrued Pension Benefits	Pension Fund Assets	Pension (Surplus) Liability	Pension (Surplus) Liability
Power Corporation Superannuation Plan ....	September 30/94	\$ 472,877	\$ 465,489	\$ 7,388	\$ –
Saskatchewan Telecommunications Superannuation Plan .....	December 31/92	451,602	493,171	(41,569)	(30,059)
Others .....	December 31/93	94,907	68,753	26,154	10,200
Total		\$ 1,019,386	\$ 1,027,413	\$ (8,027)	\$ (19,859)

### b) Contributory defined contribution pension plans

The Government also sponsors several defined contribution pension plans for the employees of its government service organizations and government enterprises. In defined contribution pension plans, a member's pension is based on the accumulated contributions and investment earnings.

The two main plans are the Public Employees (Government Contributory) Superannuation Plan (PESP) and the Capital Pension Plan (CIC). PESP and CIC are multi-employer defined contribution pension plans. There are 19,170 employees of government service organizations and 8,175 employees of government enterprises contributing to PESP and CIC.

Members of PESP and CIC make contributions at rates of 5 per cent and 5.5 per cent of their salary, respectively.

Employers are required to match member contributions in respect of current year's service. The Government has fully funded its share of contributions to these plans. For government service organizations, total contributions for the year ended March 31, 1995 were \$44.4 million (1994 – \$41.7 million). For government enterprises, total contributions for the year ended March 31, 1995 were \$26.8 million (1994 – \$24.1 million).

The market related value of pension fund assets in PESP and CIC is approximately \$1.4 billion. These assets are invested primarily in bonds and equities.

The Government also contributed \$13.1 million (1994 – \$12.0 million) to the Saskatchewan Teachers' Retirement Plan for the year ended March 31, 1995. This pension plan is owned and operated by the Saskatchewan Teachers' Federation.

### 4. Reserves

The accumulated deficit of \$10,489.6 million consists of two components, unallocated (\$10,406.8 million) and reserves (\$82.8 million). The Energy Security Reserve (\$70.9 million) was created for funding development of energy resources. The Environmental Protection Reserve (\$11.9 million) was created to provide contingency funding to mitigate unforeseen environmental problems related to uranium milling. Both reserves are maintained at their March 31, 1992 balance.

### 5. Expenses by Object

Expenses by object are reported as follows:

	(thousands of dollars)	
	1995	1994 (Restated)
Grants and contributions .....	\$ 2,130,341	\$ 1,948,386
Debt charges .....	1,338,559	1,285,522
Operating costs .....	774,319	829,082
Salaries and benefits .....	1,155,823	1,115,714
Capital property acquisitions .....	102,727	105,751
Other .....	450,368	567,722
<b>Total Expenses</b>	<b>\$ 5,952,137</b>	<b>\$ 5,852,177</b>

# Government of Saskatchewan

## Notes to the Summary Financial Statements

### 6. Comparison of Planned and Actual Results

A comparison of planned and actual surplus (deficit) is as follows:

	(thousands of dollars)	
	Planned	Actual
General Revenue Fund		
Surplus (deficit) for the year .....	\$ (188,724)	\$ 128,397
Government enterprises		
Income for the year .....		356,712
Other government service organizations		
Surplus for the year .....		115,200
Dividends received from government organizations .....		(429,306)
Adjustments necessary to conform to the basis of accounting described in note 1(c) .....		13,151
<b>Surplus for the Year</b>	<b>\$ 184,154</b>	

The planned and actual figures are before elimination of inter-organization transactions.

### 7. Contingencies

#### a) Guaranteed debt

At March 31, 1995, \$1,108.2 million (1994 - \$1,171.7 million) in loans were guaranteed by the Government. Schedule 9 provides a listing of guaranteed debt.

#### b) Lawsuits

Up to \$4.2 million may be paid depending on the outcome of lawsuits in progress.

#### c) Indian and Northern Affairs Canada

The Government pays for certain social services provided to status Indians and submits claims to the federal government for the cost of these services. The Government believes these costs are the responsibility of the federal government and believes they are fully reimbursable. However, the federal government denies responsibility for a portion of these costs.

The Government is unable to determine whether or not the outstanding amounts will be reimbursed. The Government will account for any recovery resulting from the resolution of this contingency at the time of settlement. No provision for such a recovery has been made in these financial statements.

#### d) Gross Revenue Insurance Plan (GRIP)

Legal actions have commenced against the Government for breach of contract with respect to the change from the 1991 GRIP program to the 1992 revenue insurance program.

If the legislation supporting such charges is not upheld, and the subsequent defense of the actions is unsuccessful, the amount of the revenue insurance surplus may be reduced.

#### e) Other

IPSCO Inc. has the option to purchase leased equipment. In the event that IPSCO Inc. does not purchase the equipment by the end of the lease term which expires in 2007, the Government is obligated to purchase the equipment for \$13.0 million.

### 8. Commitments

Major financial commitments include:

- forward purchase commitments of \$1,882.7 million for coal and \$747.6 million for natural gas contracted for future minimum deliveries valued at current prices;
- treaty land entitlement agreement commitments valued at approximately \$200.2 million;
- an agreement to advance HARO Financial Corporation up to \$150.0 million to further fund HARO's interest in Crown Life Insurance Company;
- other commitments including capital expenditure commitments valued at approximately \$845.0 million; and,
- capital and operating lease obligations as follows:

	(thousands of dollars)	
	Operating	Capital
Future minimum lease payments		
1995-96 .....	\$ 53,866	\$ 16,510
1996-97 .....	53,448	16,220
1997-98 .....	50,661	17,336
1998-99 .....	46,954	18,282
1999-2000 .....	42,057	20,064
Thereafter .....	46,785	122,980
	293,771	211,392
Less: Interest and executory costs	–	(128,899)
<b>Total Lease Obligations</b>	<b>\$ 293,771</b>	<b>\$ 82,493</b>

Total capital lease obligations include \$72.0 million for government service organizations (reported on schedule 5) and \$10.5 million for government enterprises.

### 9. District Health Boards

During 1993-94, 26 district health boards were established. Due to the uncertainty of the Government's control of these boards in the long-term, they have not been included in the reporting entity of these financial statements. The Regina, Saskatoon, and Prince Albert District Health Boards, which were established prior to March 31, 1993, are included in the reporting entity. This is consistent with the previous period's treatment.

The total net assets, as expressed in the accounting policies described in note 1(c), held by the 26 boards at March 31, 1995 was approximately \$0.1 million.

# Government of Saskatchewan

## Notes to the Summary Financial Statements

### 10. Trust Funds

Amounts held and administered by the Government at March 31, 1995, were as follows:

	(thousands of dollars)	
	1995	1994
Superannuation funds and pension plans*	\$ 4,155,401	\$ 4,113,635
Public Trustee's Trust Account	95,855	94,729
Other trusts**	22,411	29,153
<b>Total Trust Funds</b>	<b>\$ 4,273,667</b>	<b>\$ 4,237,517</b>

\* Reflects the latest audited financial statements of the funds and plans closest to March 31, 1995.

\*\* Includes other trusts under \$10 million.

### 11. Comparative Figures

To conform with current year's presentation, certain comparative figures for the previous year have been restated as follows:

#### a) Change in classification of certain government organizations

Certain government organizations included in the reporting entity of these Summary Financial Statements have been moved between the government service organization and the government enterprise classifications. The Government has retroactively restated comparative figures to record these changes in classification.

#### b) Change in accounting policy

The Government has retroactively restated comparative figures to record changes in accounting policy used by certain government service organizations, including:

- Saskatchewan Crop Insurance Corporation, which now reports the residual program interest of the Federal Government and producers as a liability rather than as equity. This change decreases the surplus for the year by \$349.7 million;

- Saskatchewan Housing Corporation, which now reports its accumulated capital provision account as equity rather than a liability. This change has no impact on the surplus for the year; and,
- Saskatchewan Lotteries Trust Fund for Sport, Culture and Recreation, which now expenses grants when approved rather than when allocated. This change decreases the surplus for the year by \$7.1 million.

#### c) Pension liability

The Government has retroactively restated comparative figures to record the cost of plan amendments made to the Teachers' Superannuation Plan (TSP) in 1990. These costs were not included in the actuarial liability of TSP in prior years. The correction increases the pension liability and expense by \$6.0 million for 1994-95.

#### d) Other

During the 1992-93 fiscal year, the Government performed an accrual accounting review and retroactively restated the Summary Financial Statements for accruals not previously recorded. During the current year, the Government has retroactively restated comparative figures to record the following accruals not previously identified:

- unpaid severance benefits; and,
- unpaid fuel tax rebates.

This adjustment decreases the surplus for the year by \$2.2 million.

The Government has retroactively reclassified certain comparative figures to conform with current year presentation. Included in the amounts reclassified are expenditures which are restated to conform with the adoption of new expenditure classifications for the 1994-95 Summary Financial Statements.

In addition, Saskatoon District Health Board entered into affiliation agreements during the year with certain organizations within its health district. The Government has retroactively restated comparative figures to include the new affiliates.

The net effect of these restatements is as follows:

	(thousands of dollars)		March 31, 1994		
	increase (decrease)		Assets	Liabilities	
	Accumulated Deficit March 31, 1993	Deficit for the Year			
Changes in classification	\$ 19,112	\$ 10,507	\$ (196,310)	\$ (166,691)	
Changes in accounting policy					
Saskatchewan Crop Insurance Corporation	34,664	188,607		–	223,271
Saskatchewan Housing Corporation	(9,942)	(795)		–	(10,737)
Saskatchewan Lotteries Trust Fund	(17,834)	(6,476)		–	(24,310)
Pension liability	63,000	5,000		–	68,000
Other	63,627	10,826		–	74,453
Net Change	152,627	207,669	(196,310)		163,986
As previously reported	10,268,485	45,007	4,939,165		15,252,657
As Restated	\$ 10,421,112	\$ 252,676	\$ 4,742,855	\$ 15,416,643	

# Government of Saskatchewan

## Schedules to the Summary Financial Statements

For the Year Ended March 31, 1995

### Schedule 1 – Accounts Receivable

	(thousands of dollars)	
	1995	1994 (Restated)
Insurance premiums due from agriculture producers.....	\$ 241,180	\$ 16,715
Transfers from the federal government .....	225,942	111,019
Taxes .....	201,820	164,041
Trade .....	152,571	130,867
Leases and farm loans.....	23,825	23,021
Accrued interest .....	9,788	13,445
Dividends .....	–	15
<b>Total Accounts Receivable</b>	<b>\$ 855,126</b>	<b>\$ 459,123</b>

### Schedule 2 – Loans Receivable

	(thousands of dollars)	
	1995	1994
<b>Agricultural loans</b>		
Capital loan program .....	\$ 258,745	\$ 280,203
Production loan program .....	143,567	225,934
Livestock cash advance program.....	59,664	80,431
Counselling and Assistance for Farmers program .....	40,240	68,595
Investment loan program .....	9,913	6,379
Spring seeding loan program .....	4,537	9,459
Other.....	21	34
	<b>516,687</b>	<b>671,035</b>
Provision for losses .....	(149,793)	(207,462)
	<b>366,894</b>	<b>463,573</b>
<b>Student loans</b> .....	<b>120,752</b>	<b>114,523</b>
Provision for losses .....	(36,600)	(34,900)
	<b>84,152</b>	<b>79,623</b>
<b>Housing mortgages and loans</b> .....	<b>19,852</b>	<b>22,238</b>
<b>Other</b> .....	<b>21,448</b>	<b>18,527</b>
<b>Total Loans Receivable</b>	<b>\$ 492,346</b>	<b>\$ 583,961</b>

# Government of Saskatchewan Schedules to the Summary Financial Statements

## Schedule 2 (continued) – Loans Receivable

### Capital loan program

Loans are repayable, with interest, over terms not exceeding twenty-five years. The loans bear interest at rates between 6 per cent and 13½ per cent. Security on individual loans varies and may include mortgages on real property, security agreements and guarantees. The program operates under *The Agricultural Credit Corporation of Saskatchewan Act*.

### Production loan program

Production loans bear interest at 6 per cent repayable in equal principal instalments over a term of three years. Amounts in arrears are at prime plus 2 per cent. Amendments to the program allowed the borrowers to reschedule their outstanding loans at interest of 9¾ per cent to mature in 1997. Promissory notes and, where applicable, guarantees and general security agreements are held as security for the loans. The program operates under *The Agricultural Credit Corporation of Saskatchewan Act*.

### Livestock cash advance program

Effective August 1, 1993, clients with Livestock cash advances are required to repay their loans, bearing interest at prime plus 2 per cent, over a maximum five year period. The loans are secured by promissory notes and, where applicable, by guarantees. The program operates under *The Agricultural Credit Corporation of Saskatchewan Act*.

### Counselling and Assistance for Farmers program

Effective August 1, 1992, the Government assumed responsibility for loans and guarantees which were outstanding under this program. The majority of the loans under the program are in default, have judgements obtained on them and bear interest at 5 per cent. The loans are secured by way of an assignment of security from the original lender. The guarantees are for 100 per cent of the outstanding principal balance to a maximum limit of the lending financial institution's yearly pre-established pool of funds, as defined in the regulations of *The Farm Financial Stability Act*.

### Spring seeding loan program

During the 1992 fiscal year, the Government paid out \$48.6 million to honour guarantees on loans granted by financial institutions under this program. The loans assumed by the Government bear interest at prime plus 2 per cent. The loans are secured by promissory notes and, where applicable, by guarantees and general security agreements. The loans are assumed pursuant to *The Agricultural Credit Corporation of Saskatchewan Act*.

### Investment loan program

Investment loans bear interest at rates between 8½ per cent and 12 per cent and are repayable over terms not exceeding twenty-five years. Security on the loans varies and may include mortgages on real property, security agreements and guarantees. The program operates under *The Agricultural Credit Corporation of Saskatchewan Act*.

### Student loans

The program operates under the authority of *The Student Assistance and Student Aid Fund Act, 1985*. Loans are interest free for a six-month period of discontinuance of studies or graduation. Interest relief grants, which extend the interest-free period for up to 18 months, are provided to qualified applicants. Interest rates are prescribed by the Minister of Education, Training and Employment.

Interest write-down grants are provided to borrowers who receive loans for studies commencing between May 1, 1986, and July 31, 1989. Special incentive loan remission and/or loan forgiveness is granted to all students who meet specific criteria.

### Housing mortgages and loans

Housing mortgages and loans are provided pursuant to provisions of Section 15 of *The Saskatchewan Housing Corporation Act*. The loans and mortgages are repayable, at various interest rates, over terms not exceeding thirty-five years. Security on the loans and mortgages may include promissory notes or charges against residential property.

# Government of Saskatchewan

## Schedules to the Summary Financial Statements

### Schedule 3 – Investment in Government Enterprises

	SaskEnergy Incorporated Dec. 31, 1994	Saskatchewan Power Corporation Dec. 31, 1994	Saskatchewan Telecom- munications Holding Corporation Dec. 31, 1994	Saskatchewan Transportation Company Oct. 31, 1994	Saskatchewan Forest Products Corporation Dec. 31, 1994	Saskatchewan Liquor and Gaming Authority Mar. 31, 1995
<b>Assets</b>						
Cash and temporary investments						
Due from government organizations						241,001
Other	(182)	(8,031)	(8,315)	(369)	9,091	304
Accounts receivable						
Due from government organizations	1,708		1,484			
Other	68,954	107,093	89,343	1,638	2,968	4,119
Inventories		12,249	7,506		5,626	10,723
Prepaid expenses	4,827	62,169	25,606	527	1,230	1,883
Long-term investments						
In the Province						
Other		22,684	22,608			
Capital property	813,852	2,860,919	965,427	13,375	28,134	43,456
Other assets						
Due from government organizations						
Other	89,198	204,919	41,653	174		
<b>Total Assets</b>	<b>978,357</b>	<b>3,262,002</b>	<b>1,145,312</b>	<b>15,345</b>	<b>47,049</b>	<b>301,486</b>
<b>Liabilities</b>						
Accounts payable and accrued liabilities						
Due to government organizations	21,656	58,485	10,523			1,176
Other	49,274	114,287	62,981	3,141	6,751	7,763
Dividends payable to government organizations	36,000	46,804	48,700			
Debt						
Owing to government organizations	638,891	1,937,361	500,831	3,900		
Other		5,752	68,595			
Unearned revenue						
Received from government organizations	2,367					
Other	42,632	171,044	14,188			
Other liabilities			1,420			10,583
<b>Total Liabilities</b>	<b>790,820</b>	<b>2,333,733</b>	<b>707,238</b>	<b>7,041</b>	<b>6,751</b>	<b>19,522</b>
<b>Net Assets (Liabilities)</b>	<b>\$ 187,537</b>	<b>928,269</b>	<b>438,074</b>	<b>8,304</b>	<b>40,298</b>	<b>281,964</b>
<b>Revenue</b>						
Revenue from operations	\$ 385,096	825,955	629,370	14,035	49,623	425,796
Transfers from government organizations	8,324	21,708				4,746
<b>Total Revenue</b>	<b>393,420</b>	<b>847,663</b>	<b>629,370</b>	<b>14,035</b>	<b>49,623</b>	<b>430,542</b>
<b>Expenses</b>						
Expenses from operations	248,889	498,301	478,562	17,211	32,532	206,008
Transfers to government organizations	79,008	264,265	66,212	16	4,314	1,066
<b>Total Expenses</b>	<b>327,897</b>	<b>762,566</b>	<b>544,774</b>	<b>17,227</b>	<b>36,846</b>	<b>207,074</b>
Income (loss) before non-recurring items	65,523	85,097	84,596	(3,192)	12,777	223,468
Non-recurring items			3,918		28	
<b>Net Income (Loss) for the Year</b>	<b>65,523</b>	<b>85,097</b>	<b>88,514</b>	<b>(3,192)</b>	<b>12,805</b>	<b>223,468</b>
Net assets (deficiency) – beginning, as previously reported	86,483	229,983	148,260	(43,989)	(12,707)	155,601
Restatement of prior years						95
Dividends to government organizations	(36,000)	(46,804)	(48,700)			(97,200)
Capital restructuring						
Equity advances/share capital	71,531	659,993	250,000	55,485	40,200	
<b>Net Assets (Deficiency) – End of Year</b>	<b>\$ 187,537</b>	<b>928,269</b>	<b>438,074</b>	<b>8,304</b>	<b>40,298</b>	<b>281,964</b>

\* Adjustments include:

- recording the transfer of Saskatchewan Economic Development Corporation's assets and liabilities to CIC III on February 28, 1995

prior to being wound-down on March 31, 1995;

- recording the sale of Saskatchewan Telecommunications Holding Corporation's interest in ISM prior to March 31, 1995;

(thousands of dollars)

Saskatchewan Economic Development Corporation Dec. 31, 1994	Saskatchewan Opportunities Corporation Dec. 31, 1994	Municipal Financing Corporation of Saskatchewan Dec. 31, 1994	Saskatchewan Government Insurance Dec. 31, 1994	Saskatchewan Auto Fund Dec. 31, 1994	Workers' Compensation Board (Saskatchewan)** Dec. 31, 1994	Other Government Enterprises	Adjustments*	Total 1995	Total 1994 (Restated)
105	599	18,623	47,959	82,504	27,481	1,981	(128,876)	\$ 241,001 42,874	\$ 140,233 167,978
6,000 16,327	284	4,242	9,477 18,637	16,164 7,215	14,165	988 70	(6,000) (16,327)	28,833 319,646	6,719 340,920
66			16,823	1,744		55	(66)	36,174 114,864	33,862 98,216
121,876 822	6,000 178	97,117	17,097 152,706 13,826	31,883 378,109 30,981	32,550 429,702 33,520	613 405	(124,056) (822)	81,530 1,107,359 4,804,073	92,034 1,208,209 4,786,523
				16,173			10,286	10,286 352,117	— 293,971
<b>145,196</b>	<b>7,061</b>	<b>119,982</b>	<b>276,525</b>	<b>564,773</b>	<b>537,418</b>	<b>4,112</b>	<b>(265,861)</b>	<b>7,138,757</b>	<b>7,168,665</b>
79 1,767	274 113	1,527 100	5,535 10,064 9,967	12,585 10,309	4,854 449,655	648	(79) (1,767) (141,471)	116,615 715,086 —	113,040 683,434 —
203,000	6,000	86,667 6,000				797 150	(203,000)	3,174,447 80,497	3,375,237 119,290
	560		4,807 64,334 87,310	8,200 137,587 504,995		811 79		15,934 430,596 637,586	4,579 575,655 507,125
<b>204,846</b>	<b>6,947</b>	<b>94,294</b>	<b>182,017</b>	<b>673,676</b>	<b>487,708</b>	<b>2,485</b>	<b>(346,317)</b>	<b>5,170,761</b>	<b>5,378,360</b>
<b>(59,650)</b>	<b>114</b>	<b>25,688</b>	<b>94,508</b>	<b>(108,903)</b>	<b>49,710</b>	<b>1,627</b>	<b>80,456</b>	<b>\$ 1,967,996</b>	<b>\$ 1,790,305</b>
12,666 2,055	5 747	12,081	143,982 1,170	355,338 3,373	146,224 6,876	2,939 1,047		<b>\$ 3,003,110</b> <b>50,046</b>	\$ 2,833,024 807
<b>14,721</b>	<b>752</b>	<b>12,081</b>	<b>145,152</b>	<b>358,711</b>	<b>153,100</b>	<b>3,986</b>	<b>—</b>	<b>3,053,156</b>	<b>2,833,831</b>
27,157 14,720	364 274	779 9,003	121,613 5,418	438,109 14,375	159,984 4,854	5,621	12,255	2,247,385 463,525	2,051,243 466,808
<b>41,877</b>	<b>638</b>	<b>9,782</b>	<b>127,031</b>	<b>452,484</b>	<b>164,838</b>	<b>5,621</b>	<b>12,255</b>	<b>2,710,910</b>	<b>2,518,051</b>
(27,156)	114	2,299	18,121	(93,773)	(11,738)	(1,635)	(12,255) 10,520	342,246 14,466	315,780 21,984
<b>(27,156)</b>	<b>114</b>	<b>2,299</b>	<b>18,121</b>	<b>(93,773)</b>	<b>(11,738)</b>	<b>(1,635)</b>	<b>(1,735)</b>	<b>356,712</b>	<b>337,764</b>
(21,051) (11,443)	—	23,389	31,354	(15,130)	61,448	3,261	11,186 11,348	<b>658,088</b> —	419,345 (7,498)
			(9,967)					<b>(238,671)</b> 59,650	(282,706) 191,183
			55,000			1	59,650 7	<b>1,132,217</b>	1,132,217
<b>(59,650)</b>	<b>114</b>	<b>25,688</b>	<b>94,508</b>	<b>(108,903)</b>	<b>49,710</b>	<b>1,627</b>	<b>80,456</b>	<b>\$ 1,967,996</b>	<b>\$ 1,790,305</b>

- reversing the write-off of deferred financing costs reported by Saskatchewan Power Corporation; and,
- reclassifying dividends paid on March 31, 1995.

\*\* Net assets are restricted as disclosed in the narrative portion of this schedule on the pages following.

# Government of Saskatchewan

## Schedules to the Summary Financial Statements

### Schedule 3 (continued) - Investment in Government Enterprises

Certain government organizations have been reclassified between government service organizations and government enterprises. The following organizations have been reclassified from government enterprises to government service organizations:

- Employee Insurance Plans;
- Saskatchewan Crop Insurance Corporation; and,
- Saskatchewan Water Corporation.

The following organizations have been reclassified from government service organizations to government enterprises:

- Municipal Financing Corporation;
- Saskatchewan Centre of the Arts Fund; and,
- South Saskatchewan River Irrigation District No. 1.

The prior year's comparative figures have been restated to conform with the current year's presentation.

#### **SaskEnergy Incorporated (SaskEnergy)**

SaskEnergy's mandate is to promote, transport, store and distribute natural gas.

#### **Saskatchewan Power Corporation (SaskPower)**

SaskPower's main functions include the generation, purchase, transmission, distribution and sale of electrical energy.

#### **Saskatchewan Telecommunications Holding Corporation (SaskTel)**

SaskTel is responsible for providing local and long distance voice, data, image and text transmission services throughout Saskatchewan. As a member of Stentor, an alliance of Canada's major telecommunications companies, SaskTel provides a full range of national and international long distance communications services.

#### **Saskatchewan Transportation Company (STC)**

STC is charged with the responsibility of providing a comprehensive bus transportation service for the people of Saskatchewan.

#### **Saskatchewan Forest Products Corporation (SFPC)**

SFPC produces dimensional lumber and studs at its Carrot River sawmill and plywood sheathing at its plywood plant in Hudson Bay. Subsequent to March 31, 1995, SFPC and MacMillan Bloedel agreed to combine their forestry operations in Saskatchewan to create a new partnership, Saskfor Products Limited Partnership (Saskfor). Saskfor is 50 per cent owned by each of the Government and MacMillan Bloedel.

#### **Saskatchewan Liquor and Gaming Authority (SLGA)**

SLGA's main functions are to control the manufacturing and distribution of beverage alcohol throughout the Province, to oversee the licensing of all establishments selling alcohol in the Province, and to maintain the integrity of all licensed gaming while ensuring maximum benefit to Saskatchewan charities.

#### **Saskatchewan Economic Development Corporation (SEDCO)**

SEDCO was established to conduct lending and other programs which promote and facilitate economic development in Saskatchewan. In December 1993 the Government announced its decision to wind down SEDCO. On February 28, 1995, the assets, liabilities and operations of SEDCO were transferred to CIC Industrial Interests Inc.. SEDCO was formally dissolved on March 31, 1995.

#### **Saskatchewan Opportunities Corporation (SOCO)**

SOCO, established on August 15, 1994, acts as an agent for the Government to create, encourage and facilitate business opportunities in Saskatchewan by providing a broad range of financing to Saskatchewan businesses.

#### **Municipal Financing Corporation of Saskatchewan (MFC)**

MFC assists municipalities in financing their capital requirements.

#### **Saskatchewan Government Insurance (SGI) and Saskatchewan Auto Fund (Auto Fund)**

SGI's competitive general insurance business, known as SGI CANADA, offers a comprehensive line of home, tenant, farm, automobile extension, and commercial coverage.

The Auto Fund, the Province's compulsory automobile insurance program, is administered by SGI CANADA on behalf of the Government. The net assets of the Auto Fund are for the future benefit of Saskatchewan's motoring public and are not used for the payment of dividends to the Government.

#### **Workers' Compensation Board (Saskatchewan) (WCB)**

WCB's primary function is to provide workers' compensation insurance to Saskatchewan workers and employers. The net assets of the WCB accrue to employers and cannot be used for the payment of dividends to the Government.

#### **Other Government Enterprises**

Other government enterprises includes the following:

- **Saskatchewan Centre of the Arts Fund** – conducts all financial transactions required to maintain, operate and manage the Saskatchewan Centre of the Arts in Regina.
- **Saskatchewan Gaming Corporation** – established June 15, 1994, to operate, manage and conduct permanent casinos in Saskatchewan.
- **Saskatchewan Government Growth Fund Management Corporation (SGGFMC)** – manages venture capital funds under the federal government's Immigrant Investor Program. The venture capital funds act as a vehicle for foreign investors to invest in Saskatchewan businesses and to facilitate the investor's qualification as a permanent Canadian resident.
- **South Saskatchewan River Irrigation District No. 1** – operates and maintains a water delivery system for irrigation of farmland within district boundaries in the Outlook area.

# Government of Saskatchewan

## Schedules to the Summary Financial Statements

### Schedule 4 – Other Investments

	Voting Percentages	(thousands of dollars)		1995	1994 (Restated)
<b>Investments</b>					
Cameco Corporation*					
15,543,623 (1994 – 17,543,623) common shares .....	29.7%	\$	<b>303,543</b>	\$	325,506
Nil (1994 – 2,657,367) common shares held in trust .....			–		39,196
Bi-Provincial Upgrader, Lloydminster, Saskatchewan*					
joint venture interest .....	50.0%		<b>212,090</b>		170,368
Saskferco Products Inc.*					
68,449,080 (1994 – 68,449,080) class B common shares .....	49.0%		<b>72,188</b>		63,740
Nil (1994 – 2,500,000) class D common shares .....					
Wascana Energy Inc.*					
5,842,910 (1994 – 5,842,910) common shares .....	7.4%		<b>47,044</b>		47,044
Potash Corporation of Saskatchewan Inc.*					
2 (1994 – 1) common shares .....	–		–		–
Nil (1994 – 3,630,566) common shares held in trust .....	–		–		65,641
NewGrade Energy Inc.*					
common shares and debentures .....	50.0%		<b>(28,527)</b>		(135,103)
Meadow Lake Pulp Limited Partnership					
partnership interest .....	49.0%		<b>(36,003)</b>		(21,435)
Other share investments – equity basis .....			<b>6,613</b>		4,495
Other share investments – cost basis .....			<b>6,540</b>		1,851
			<b>583,488</b>		561,303
<b>Bonds and Debentures</b>					
HARO Financial Corporation*			<b>271,000</b>		271,000
Meadow Lake Pulp Limited Partnership*					
participating debentures .....			<b>187,607</b>		187,009
Other bonds and debentures .....			<b>29,475</b>		45,119
			<b>488,082</b>		503,128
<b>Loans, Notes and Mortgages Receivable</b>					
Cadillac Fairview Corporation Limited .....			<b>40,064</b>		40,535
Dairy Producers Co-operative Limited .....			<b>10,500</b>		10,500
Other loans, notes and mortgages receivable .....			<b>73,335</b>		5,956
			<b>123,899</b>		56,991
<b>Property Holdings</b>					
<b>Total Other Investments</b>		\$	<b>1,256,966</b>	\$	1,121,422

\* (See accompanying notes)

# Government of Saskatchewan

## Schedules to the Summary Financial Statements

### Schedule 4 (continued) – Other Investments

#### Cameco Corporation (Cameco)

As at December 31, 1993, the Government owned 17,543,623 unencumbered voting common shares of Cameco. On September 15, 1994, the Government sold 2,000,000 common shares for net proceeds or \$48.8 million resulting in a gain on sale of \$11.7 million.

As at December 31, 1993, the Government also held 2,657,367 voting common shares of Cameco, with a carrying value of \$39.2 million, which were held in trust to satisfy the possible exercise of Common Share Purchase Warrants sold in September, 1991. The holder of each full Purchase Warrant was allowed to purchase one Cameco voting share for \$14.75 on or before October 1, 1994. On October 1, 1994, all Purchase Warrants had been exercised.

As at December 31, 1994, the Government owns 15,543,623 voting common shares of Cameco representing a 29.7 per cent interest. These shares are accounted for using the equity method.

The Government also holds one Class B share which allows them to exercise special voting rights with respect to the location of Cameco's head office.

#### Bi-Provincial Upgrader Joint Venture (Bi-Provincial Upgrader)

As at December 31, 1994, the Government owned a 17.5 per cent equity interest in the Bi-Provincial Upgrader. The Government's initial commitment was to fund its proportionate share, or \$221.7 million, of the original estimated capital cost of the project. During 1991 and 1992, cost overruns of \$365.0 million were identified. The Government's proportionate share of these overruns would have been \$63.9 million and a write-down of \$63.9 million was recorded in 1991 to reflect these overruns. The Government agreed to fund only \$30.6 million of this amount.

In addition, the Government has funded its proportionate share of a revolving operating line of credit of \$14.5 million (1993 – \$8.8 million), \$5.7 million of which bears a return allowance of CIBC prime plus 1 per cent.

Effective February 7, 1995, the Government purchased 58 per cent of the joint venture interests of the Governments of Canada and Alberta in the Bi-Provincial Upgrader for \$43.1 million. As a result of this purchase, the Government holds a 50 per cent equity interest in the joint venture. This investment is accounted for using the equity method. In addition, the Government paid \$12.1 million to Husky Oil Operations Ltd. (Husky) representing its pro-rata commitment under the interim Operating Shortfall Agreement including accrued interest of \$0.4 million. This commitment had been funded by Husky during the negotiations to purchase the joint venture interests of Canada and Alberta.

#### Saskferco Products Inc. (Saskferco)

The Government owns all of the outstanding Class B common shares of Saskferco representing a 49 per cent voting interest. These shares are accounted for using the equity method. The Government has fully funded its obligation to provide initial equity to Saskferco of \$66.4 million. In addition, the Government has advanced \$2.0 million (1993 – \$2.0 million) in the form of Class B shares to fund construction cost overruns. During 1994, \$2.5 million of Class D shares purchased in 1993 to fund working capital deficiencies were redeemed for \$2.5 million.

#### Wascana Energy Inc.

The Government owns 5,842,910 voting common shares of Wascana Energy Inc. representing a 7.4 per cent voting interest. These shares are accounted for using the cost method.

#### Potash Corporation of Saskatchewan Inc. (PCS Inc.)

The Government placed 3,650,566 voting common shares of PCS Inc. in trust in September 1991 to satisfy the possible exercise of the Common Share Purchase Warrants (Purchase Warrants) sold by the Government in September, 1991. The holder of each full Purchase Warrant had the right to purchase one PCS Inc. voting common share from the Government for \$18.75 on or before September 30, 1994. All Purchase Warrants were exercised on or before September 30, 1994. Due to rounding on the initial share offering, one unencumbered common share was returned to the Government.

As at December 31, 1994, the Government owns two unencumbered common shares.

#### NewGrade Energy Inc. (NewGrade)

On October 21, 1994, the Government, Consumers' Co-Operative Refineries Limited (CCRL) and the Government of Canada (Canada) completed a financial restructuring of NewGrade. The Government's investment was restructured as follows:

- (i) The Government exchanged its one Class B voting non-participating common share with a stated value of \$1.0 thousand for 50 Class Y voting participating common shares. In addition, the Government purchased 50 Class Y voting participating common shares for \$50.0 million.
- (ii) Class C and D shares held by the Government were cancelled by NewGrade.
- (iii) The Government forgave its Class C, D and E subordinated debentures with a stated value of \$142.8 million.
- (iv) The Government provided NewGrade with \$10.0 million in grants to reduce its operating line of credit. The Government has committed to providing NewGrade with a further \$15.0 million in grants to reduce NewGrade's guaranteed debt. These grants are to be paid in 1995-96 (\$10.0 million) and 1996-97 (\$5.0 million).
- (v) The Government indemnified Canada for its loan guarantees, to a maximum of \$275.0 million, in exchange for a cash contribution by Canada to NewGrade of \$125.0 million.
- (vi) In addition, should there be any operating shortfall at the end of any year, the Government will loan NewGrade up to \$2.0 million, escalated by inflation, in the form of a Subordinated Operations Fee Amount after CCRL has provided its \$2.0 million Subordinated Operations Fee Amount. If these loans do not cover all cash shortfalls then the Government will loan NewGrade up to \$4.0 million as a Cash Flow Deficiency Loan on a pro-rata basis with CCRL. If this facility is exhausted, the Government will loan NewGrade the remainder to cover any other operating shortfalls. These loans, if any, will bear interest at CCRL's rate of borrowing.

# Government of Saskatchewan

## Schedules to the Summary Financial Statements

### Schedule 4 (continued) – Other Investments

As at December 31, 1994, the Government owns 50 per cent of the outstanding voting participating shares of NewGrade and also holds certain promissory notes due from NewGrade. These shares are accounted for using the equity method.

#### HARO Financial Corporation (HARO)

The Government entered into various agreements with HARO to provide a loan to HARO up to a maximum initial principal amount of \$275.0 million. HARO used the funds to repay a previous loan facility used to finance the acquisition of an ownership interest in Crown Life Insurance Company (Crown Life). The Government has advanced \$271.0 million to December 31, 1994 (1993 – \$271.0 million). The loan is for an initial five-year term commencing on December 15, 1992, with a maximum of four five-year renewal terms at the option of HARO. Provision is made whereby, under certain conditions, the initial principal amount of the loan may be increased after the first five-year term if no refinancing has occurred.

Interest during the initial term is calculated at the Royal Bank of Canada's Bankers' Acceptance Rate, determined on a quarterly basis, plus 1 1/4 per cent per annum. Interest for each subsequent five-year renewal term, as established at the beginning of each renewal term, shall be the effective yield rate for five-year Province of Saskatchewan bonds plus 1 per cent per annum.

Payment of principal and interest is subject to available cash flow as defined in the loan agreement. Any accrued interest not paid is compounded annually and added to the principal balance. Due to the uncertainty of the timing of future cash payments, interest income earned is recorded when payments are received under the cash flow formula. There were no payments made during the year. Total interest owing to the Government at December 31, 1994 was \$38.8 million (1993 – \$19.6 million).

All amounts outstanding are due and payable on December 15, 2017. On December 15, 2017, the balance of principal and interest outstanding, if any, will be converted into a maximum of 94 per cent of HARO equity shares at the time. The type of HARO equity shares will be subject to certain regulatory approvals and is not presently determinable. In addition, the Government can exercise a unilateral right, prior to December 15, 2017, to 94 per cent of HARO's assets (which are held as security for the loan). The Government's unilateral right to 94 per cent of HARO's assets is subject to regulatory compliance.

On February 10, 1995, Crown Life announced amendments to the share capital provisions of the company. As a result of the amendments, HARO converted all of its 1,250,000 Crown Life third preferred shares for 2,227,381 Crown Life common shares representing a 64.5 per cent ownership of Crown Life.

The Government has agreed to advance HARO up to \$150.0 million in the form of a debenture. These funds will be used to further fund HARO's interest in Crown Life.

#### Meadow Lake Pulp Limited Partnership (MLPLP)

The Government has entered into various agreements with the MLPLP and its agent, Millar Western Pulp (Meadow Lake) Ltd., to assist in the construction of a chemi-thermomechanical pulp mill located near Meadow Lake, Saskatchewan. The total loan commitment is comprised of three distinct loans.

- The Participating Debenture bearing interest at 11.15 per cent calculated on October 31 of each year.
- The Term Loan bearing interest at the Canadian Imperial Bank of Commerce (CIBC) prime rate plus 1/4 per cent, which is paid monthly.
- The Contingency Loan has an original principal balance of \$7.3 million and bears interest at the CIBC prime interest rate plus 1 per cent, calculated annually. Any interest outstanding and not paid on October 31 of each year is added to the principal balance.

The Government has agreed, subject to the exhaustion of all other credit facilities, to provide additional loans to MLPLP, to a maximum of \$9.0 million, to fund future cash deficiencies.

Contemporaneously with the interest calculation on the Participating Debenture, the Government records an equal amount as a separate loan (Interest Loan) to MLPLP. Interest on the Interest Loan, at 11.15 per cent, is calculated on October 31 of each year and is added to the principal balance outstanding on the loan. Interest income earned and subsequently forming part of the Interest Loan is recorded as deferred income due to the uncertainty of the timing of future cash payments. The deferred interest income will be recorded as income when payments are received under the cash availability formula.

Any payments to be made respecting the Participating Debenture, the Contingency Loan and the Interest Loan are subject to MLPLP achieving certain cash flows as specifically defined in the loan agreements. Any payments due to the Government are applied firstly to repay interest and principal outstanding under the Contingency Loan then to amounts outstanding under the Participating Debenture and then to the Interest Loan. Payments towards principal outstanding on the Term Loan are due in two equal payments after MLPLP has fully repaid an external bank loan. The Contingency Loan, Participating Debenture and Term Loan mature in the year 2014. Any Interest Loan balance outstanding on October 31, 2014 shall bear interest at the rate equal to the cost of borrowing for the Province of Saskatchewan on that date until paid in full.

#### Market Values

The market values of the Government's publicly traded investments at March 31, 1995 were as follows (millions of dollars):

Cameco .....	\$	612.0
Wascana Energy Inc. .....	\$	69.4

## Government of Saskatchewan

### Schedules to the Summary Financial Statements

#### Schedule 5 – Accounts Payable and Accrued Liabilities

	(thousands of dollars)	
	1995	1994
	(Restated)	
Due to the federal government.....	\$ 494,036	346,703
Grants and entitlements .....	<b>401,774</b>	364,536
Accrued interest .....	<b>323,366</b>	333,360
Producers' interest in Gross Revenue Insurance Program .....	<b>254,155</b>	98,727
Trade .....	<b>149,276</b>	152,909
Accrued employee benefits .....	<b>90,950</b>	79,245
Capital lease obligations (note 8).....	<b>72,009</b>	76,572
Public employee benefit plans claims payable.....	<b>52,144</b>	49,724
Other.....	<b>34,875</b>	27,383
<b>Total Accounts Payable and Accrued Liabilities</b>	<b>\$ 1,872,585</b>	\$ 1,529,159

#### Schedule 6 – Other Liabilities

	(thousands of dollars)	
	1995	1994
	(Restated)	
Funds held on behalf of government enterprises and others		
Saskatchewan Liquor and Gaming Authority.....	\$ 241,001	\$ 140,233
Queen's Bench Court Account.....	<b>7,230</b>	10,333
Public Trustee's Trust Account.....	<b>3,065</b>	2,940
Beef Development Plan .....	<b>2,236</b>	–
Others .....	<b>10,115</b>	6,675
Miscellaneous.....	<b>1,986</b>	1,406
<b>Total Other Liabilities</b>	<b>\$ 265,633</b>	\$ 161,587

# Government of Saskatchewan

## Schedules to the Summary Financial Statements

### Schedule 7 – Public Debt

	(thousands of dollars)				
	1995			1994	
	Gross Public Debt	Less Sinking Funds	Public Debt	Public Debt (Restated)	
<b>Government Service Organizations</b>					
General Revenue Fund*	\$ 8,380,470	\$ 103,823	\$ 8,276,647	\$ 8,514,482	
Crown Investments Corporation of Saskatchewan (non-consolidated)**	947,986	–	947,986	863,475	
Agricultural Credit Corporation of Saskatchewan ..	379,253	–	379,253	559,843	
Saskatchewan Housing Corporation.....	287,304	–	287,304	287,304	
Saskatchewan Crop Insurance Corporation .....	169,025	–	169,025	200,422	
Saskatoon District Health Board.....	22,008	–	22,008	18,895	
Saskatchewan Water Corporation.....	16,030	1,104	14,926	15,274	
Saskatchewan Development Fund Corporation .....	6,242	–	6,242	8,630	
Regina District Health Board.....	4,500	–	4,500	5,285	
Other .....	3,949	–	3,949	–	
<b>Debt of Government Service Organizations***</b>	<b>10,216,767</b>	<b>104,927</b>	<b>10,111,840</b>	<b>10,473,610</b>	
<b>Government Enterprises</b>					
Saskatchewan Power Corporation .....	2,144,017	200,904	1,943,113	1,974,171	
SaskEnergy Incorporated .....	653,740	14,849	638,891	599,119	
Saskatchewan Telecommunications Holding Corporation .....	665,934	96,508	569,426	611,651	
Saskatchewan Economic Development Corporation .....	203,000	–	203,000	306,139	
Municipal Financing Corporation of Saskatchewan.....	92,667	–	92,667	96,667	
Saskatchewan Opportunities Corporation.....	6,000	–	6,000	–	
Saskatchewan Transportation Company .....	3,900	–	3,900	1,000	
Saskatchewan Liquor and Gaming Authority .....	–	–	–	23,787	
Other .....	947	–	947	176	
	<b>3,770,205</b>	<b>312,261</b>	<b>3,457,944</b>	<b>3,612,710</b>	
Net increase to March 31 .....	<b>21,731</b>	<b>17,717</b>	<b>4,014</b>	<b>34,365</b>	
<b>Debt of Government Enterprises****</b>	<b>3,791,936</b>	<b>329,978</b>	<b>3,461,958</b>	<b>3,647,075</b>	
<b>Total Public Debt</b>	<b>\$ 14,008,703</b>	<b>\$ 434,905</b>	<b>\$ 13,573,798</b>	<b>\$ 14,120,685</b>	

Debt repayable in foreign currency has been restated in Canadian dollar equivalents.

\$62.6 million is payable within one year. These debentures are redeemable in whole or in part before maturity, on six months prior notice, at the option of the Minister of Finance of Canada.

\* General Revenue Fund debt is shown net of \$3,361.6 million (1994 – \$3,221.7 million) reimbursable from government enterprises and \$1,809.0 million (1994 – \$2,112.3 million) reimbursable from government service organizations.

\*\*\*\* The debt of government enterprises is as presented in their audited financial statements closest to March 31, 1995. The balance is adjusted for the net change to March 31, 1995. This amount includes Canada Pension Plan debentures of \$720.3 million (1994 – \$649.0 million) at a weighted average interest rate of 10.78 per cent, ranging from 9.04 per cent to 14.06 per cent. Of this amount, \$0 million is payable within one year. These debentures are redeemable in whole or in part before maturity, on six months prior notice, at the option of the Minister of Finance of Canada.

\*\* Crown Investments Corporation of Saskatchewan (non-consolidated) is shown net of \$10.5 million (1994 – \$186.0 million) reimbursable from government enterprises.

\*\*\* This amount includes Canada Pension Plan debentures of \$929.8 million (1994 – \$1,056.6 million) at a weighted average interest rate of 11.33 per cent, ranging from 8.21 per cent to 17.51 per cent. Of this amount,

# Government of Saskatchewan

## Schedules to the Summary Financial Statements

### Schedule 8 – Public Debt by Maturity

(thousands of dollars)

Year of Maturity	1995			Average Interest Rate	1994 (Restated)	
	Canadian Dollar Debt	U.S. Dollar Debt (CDN \$)	Total (CDN \$)		Total (CDN \$)	Average Interest Rate
<b>Government Service Organizations</b>						
Short-term						
promissory notes.....	\$ 69,011	\$ -	\$ 69,011	7.80%	\$ 225,713	5.89%
1994-95 .....	-	-	-	-	1,079,519	10.30%
1995-96 .....	498,621	-	498,621	11.03%	746,239	11.03%
1996-97 .....	1,084,675	-	1,084,675	8.92%	1,084,019	8.92%
1997-98 .....	686,636	-	686,636	8.77%	1,097,389	8.10%
1998-99 .....	928,609	-	928,609	9.53%	1,095,673	8.99%
1999-2000 .....	1,152,854	-	1,152,854	8.61%	351,475	10.02%
<b>1-5 years</b>	<b>4,420,406</b>	-	<b>4,420,406</b>		5,680,027	
6-10 years .....	3,217,709	-	3,217,709	10.06%	2,297,633	10.47%
11-15 years .....	341,452	-	341,452	9.98%	341,456	9.97%
16-20 years .....	788,078	874,375	1,662,453	8.93%	1,652,890	8.94%
21-25 years .....	147	-	147	5.13%	147	5.13%
26-30 years .....	15,000	559,600	574,600	9.05%	568,480	9.04%
	<b>\$ 8,782,792</b>	<b>\$ 1,433,975</b>	<b>10,216,767</b>		10,540,633	
Less: Sinking funds			(104,927)		(67,023)	
<b>Debt of Government Service Organizations*</b>			<b>10,111,840</b>		10,473,610	
<b>Government Enterprises</b>						
Short-term						
promissory notes.....	\$ 15,989	\$ -	\$ 15,989	7.80%	\$ 24,787	5.89%
1994-95 .....	-	-	-	-	419,093	9.49%
1995-96 .....	297,158	-	297,158	13.68%	3,000	9.46%
1996-97 .....	172,218	-	172,218	11.81%	176,746	11.51%
1997-98 .....	3,500	-	3,500	11.00%	3,500	11.00%
1998-99 .....	84,837	-	84,837	8.64%	84,971	8.64%
1999-2000 .....	51,000	-	51,000	9.92%	96,000	9.95%
<b>1-5 years</b>	<b>624,702</b>	-	<b>624,702</b>		808,097	
6-10 years .....	1,253,421	69,950	1,323,371	11.18%	1,322,606	11.18%
11-15 years .....	539,429	349,750	889,179	8.98%	885,354	8.91%
16-20 years .....	40,159	104,925	145,084	8.11%	143,936	8.12%
21-25 years .....	-	-	-	-	-	-
26-30 years .....	250,000	559,600	809,600	9.14%	803,480	9.14%
	<b>\$ 2,707,711</b>	<b>\$ 1,084,225</b>	<b>3,791,936</b>		3,963,473	
Less: Sinking funds			(329,978)		(316,398)	
<b>Debt of Government Enterprises*</b>			<b>3,461,958</b>		3,647,075	
<b>Total Public Debt</b>			<b>\$ 13,573,798</b>		\$ 14,120,685	

The debentures in U.S. dollars have been converted to Canadian dollars at the exchange rate in effect at March 31, 1995.

\* The debt of government service organizations includes Canada Pension Plan debentures of \$929.8 million (1994 – \$1,056.6 million) at a weighted average interest rate of 11.33%, ranging from 8.21% to 17.51%. Of this amount, \$62.6 million is payable within one year. The debt of government enterprises includes Canada Pension Plan debentures of \$720.3 million (1994 – \$649.0 million) at a weighted average interest rate of 10.78%, ranging from 9.04% to 14.06%. Of this amount, \$0 million is payable within one year. These debentures are redeemable in whole or in part before maturity, on six months prior notice, at the option of the Minister of Finance of Canada.

Included in total public debt are the following amounts:

- debentures totalling 37.0 billion yen (1994 – 32.0 billion) which have been fully hedged to \$356.3 million Canadian (1994 – \$289.1 million).
- debentures totalling 560.0 million U.S. dollars (1994 – 160.0 million) which have been fully hedged to \$756.6 million Canadian (1994 – \$203.5 million).
- debentures totalling 900.0 million Deutschemarks (1994 – 900.0 million) which have been fully hedged to \$616.6 million Canadian (1994 – \$616.6 million).
- debentures totalling 650.0 million Swiss francs (1994 – 650.0 million) which have been fully hedged to \$478.9 million Canadian (1994 – \$478.9 million).

# Government of Saskatchewan

## Schedules to the Summary Financial Statements

### Schedule 9 – Guaranteed Debt

	(thousands of dollars)		
	1995	1994	(Restated)
CIC Mineral Interests Corporation			
London Life Lease .....	\$	–	\$ 4,209
T. D., Mutual Life, London Life Lease .....		–	28,173
Crown Investments Corporation of Saskatchewan (non-consolidated)			
IPSCO Inc. .....	56,473	65,000	
Saskferco Products Inc. .....	17,825	17,968	
The Community Bonds Act.....	13,091	13,516	
The Farm Financial Stability Act			
The Breeder associations loan guarantees .....	17,450	13,881	
The Feeder associations loan guarantees.....	25,959	25,028	
The Industry and Commerce Development Act			
Saskferco Products Inc.* .....	323,169	319,635	
The NewGrade Energy Inc. Act			
NewGrade Energy Inc.* .....	409,363	368,286	
The Power Corporation Act			
Xerox Canada Finance Ltd. .....	21,237	22,398	
Manalta Coal** .....	85,758	91,549	
The Saskatchewan Housing Corporation Act			
Home improvement loan program .....	111,282	164,596	
Mortgage guarantee program .....	20,000	23,700	
Other*** .....	6,635	13,793	
<b>Total Guaranteed Debt</b>	<b>\$ 1,108,242</b>	<b>\$ 1,171,732</b>	

Total guaranteed debt is net of a loss provision of \$4.4 million (1994 – \$4.0 million).

In addition to the amount shown, there is a contingent liability for interest accrued on these items.

\* A significant portion of this guarantee pertains to debt denominated in U.S. dollars. Thus, the amount of the

guarantee is influenced by changes in the value of the U.S. dollar relative to the Canadian dollar.

\*\* The amount is net of \$9.5 million (1994 – \$8.2 million) which is Manalta's equity in a sinking fund administered by the Minister of Finance.

\*\*\* Includes all guarantees under \$10 million.

# Government of Saskatchewan

## Schedules to the Summary Financial Statements

### Schedule 10 – Revenue

	(thousands of dollars)	
	1995	1994 (Restated)
<b>Taxation</b>		
Corporation capital .....	\$ 196,633	\$ 171,179
Corporation income .....	161,866	145,616
Fuel .....	331,628	330,020
Individual income .....	1,057,489	1,067,585
Sales.....	728,804	666,055
Tobacco .....	115,587	110,813
Other.....	50,257	45,121
	<b>2,642,264</b>	2,536,389
<b>Transfers from the federal government</b>		
Canada Assistance Plan .....	238,948	227,955
Crop insurance premium contributions.....	187,400	204,307
Crop insurance reinsurance revenue .....	-	13,891
Equalization .....	540,240	546,413
Established Programs Financing .....	414,824	407,535
Housing subsidy .....	11,568	12,890
Other.....	118,774	75,020
	<b>1,511,754</b>	1,488,011
<b>Non-renewable resources</b>		
Coal .....	15,706	15,280
Natural gas .....	61,410	50,263
Oil .....	528,572	300,377
Potash .....	88,990	51,314
Uranium .....	20,152	31,707
Water .....	15,413	16,248
Other.....	2,907	3,516
	<b>733,150</b>	468,705
<b>Other</b>		
Equity investments .....	59,280	(109,686)
Other interest and investments .....	128,671	133,161
Fees/permits/licences.....	294,595	308,799
Insurance .....	211,300	242,756
Miscellaneous.....	198,565	193,602
	<b>892,411</b>	768,632
<b>Total Revenue</b>	<b>\$ 5,779,579</b>	\$ 5,261,737

## Government of Saskatchewan Schedules to the Summary Financial Statements

### Schedule 11 – Gains and Losses on Loans and Investments

		(thousands of dollars)	
	1995		1994
Gain on sale of IPSCO Inc. shares .....	\$ –	\$ 1,328	
Gain on sale of PCS Inc. shares .....	2,433	6,441	
Gain on sale of Cameco shares.....	11,685	–	
Earnings (losses) from equity investments			
Meadow Lake Pulp Limited Partnership .....	(14,518)	(31,231)	
Bi-Provincial Upgrader .....	(18,841)	(19,620)	
Saskferco Products Inc. .....	10,948	(7,209)	
Cameco .....	24,100	24,612	
NewGrade Energy Inc. .....	56,576	(76,781)	
Other .....	1,015	543	
Other.....	20	94	
<b>Net Gain (Loss) on Loans and Investments</b>	<b>\$ 73,418</b>	<b>\$ (101,823)</b>	

### Schedule 12 – Net Change in Non-cash Operating Activities

		(thousands of dollars)	
	1995		1994
Decrease (increase) in prepaid expenses .....	\$ (9,799)	\$ (384)	
Decrease (increase) in accounts receivable .....	(396,003)	(40,028)	
Decrease (increase) in inventories held for resale.....	(4,124)	(154)	
Decrease (increase) in deferred charges.....	(2,666)	2,237	
Decrease (increase) in loans receivable .....	91,615	117,522	
Increase (decrease) in accounts payable and accrued liabilities.....	343,426	22,757	
Increase (decrease) in unearned revenue .....	5,871	(24,867)	
<b>Net Change in Non-cash Operating Activities</b>	<b>\$ 28,320</b>	<b>\$ 77,083</b>	



**Additional Information**  
**General Revenue Fund – Details of Debentures**  
**(unaudited)**

## General Revenue Fund Public Issue Debentures

Date of Issue	Date of Maturity	Interest Rate %	Interest Payments	Currency	Purpose of Issue	Amount Outstanding	Total Issue Outstanding	Equity of Applicable Sinking Fund	Sinking Fund Contribution 1994-95
June 5/90	June 5/95	12 1/4	Semiannual	Can.	GRF .....	<u>300,000,000</u>	300,000,000	—	—
(Non-callable; Payable at any Canadian branch of the Royal Bank of Canada)									
June 12/90	June 12/95	11.31	Semiannual	Can.	GRF .....	<u>33,960,039</u>	33,960,039	—	—
(The original 7% \$4,500,000,000 Japanese Yen loan has been swapped into Canadian dollars with an effective rate of 11.31%; Non-callable; Payable in Tokyo)									
June 28/91	June 28/95	10.32	Semiannual	Can.	GRF .....	<u>81,026,577</u>	81,026,577	—	—
(The original 7.3% \$10,000,000,000 Japanese Yen loan has been swapped into Canadian dollars with an effective rate of 10.32%; Non-callable; Payable in Tokyo)									
Oct. 1/65	Oct. 1/95	5 1/2	Semiannual	Can.	GRF .....	<u>4,000,000</u>	4,000,000	8,160,101	60,000
(Callable in whole but not in part on or after October 1, 1993; Payable at any Canadian branch of the Royal Bank of Canada)									
Nov. 1/90	Nov. 1/95	11.70	Semiannual	Can.	GRF .....	<u>11,664,000</u>	11,664,000	—	—
(The original 9% \$10,000,000 U.S. debentures have been swapped into \$11,664,000 Canadian with an effective interest rate of 11.70%; Non-callable; Payable in New York)									
Feb. 21/91	Feb. 21/96	10 1/4	Semiannual	Can.	GRF .....	<u>250,000,000</u>	250,000,000	—	—
(Non-callable; Payable at any Canadian branch of the Royal Bank of Canada)									
April 1/81	April 1/96	13 3/8	Semiannual	Can.	GRF .....	<u>25,000,000</u>			
					SaskPower .....	<u>73,955,500</u>			
					SaskTel .....	<u>46,262,500</u>	145,218,000	—	—
(Non-callable; Payable at any Canadian branch of the Royal Bank of Canada)									
April 16/86	April 16/96	9 3/4	Semiannual	Can.	GRF .....	<u>165,000,000</u>			
					CIC .....	<u>35,000,000</u>	200,000,000	—	—
(Non-callable; Payable at any Canadian branch of the Royal Bank of Canada)									
Sept. 17/86	Sept. 17/96	9	Semiannual	Can.	GRF .....	<u>285,000,000</u>	285,000,000	—	—
(Non-callable; Payable at any Canadian branch of the Royal Bank of Canada)									
Dec. 11/86	Dec. 11/96	9	Semiannual	Can.	GRF .....	<u>106,326,000</u>	106,326,000	—	—
(Non-callable; Payable at any Canadian branch of the Royal Bank of Canada)									
Feb. 4/92	Feb. 4/97	8 1/8	Semiannual	Can.	GRF .....	<u>400,000,000</u>			
					SaskEnergy .....	<u>50,000,000</u>	450,000,000	—	—
(Non-callable; Payable at any Canadian branch of the Royal Bank of Canada)									
April 8/87	April 8/97	10.906	Semiannual	Can.	GRF .....	<u>45,799,385</u>	45,799,385	—	—
(The original 5 1/2% \$5,000,000,000 Japanese Yen loan has been converted by forward contract to Canadian dollars resulting in an all-in-cost of 10.906%; Non-callable; Payable in Tokyo)									
July 15/92	July 15/97	7	Annual	Can.	GRF .....	<u>136,243,500</u>	136,243,500	—	—
(Redeemable annually at the option of the holder or anytime on the death of the holder; The Province reserves the right to increase the interest rate after July 14, 1993; Payable at any Saskatchewan branch of a chartered bank, trust company, and the Credit Union Central of Saskatchewan)									

## **General Revenue Fund Public Issue Debentures**

## General Revenue Fund Public Issue Debentures

Date of Issue	Date of Maturity	Interest Rate %	Interest Payments	Currency	Purpose of Issue	Amount Outstanding	Total Issue Outstanding	Equity of Applicable Sinking Fund	Sinking Fund Contribution 1994-95
Aug. 17/90	Aug. 17/00	10.57	Annual	Can.	GRF .....	146,660,000	146,660,000	-	-
(The original issue of 7% 200,000,000 Swiss Franc debentures has been swapped into Canadian dollars with an internal rate of return of 10.57%; Non-callable; Payable in Zurich)									
Nov. 3/75	Nov. 3/00	9%	Semiannual	Can.	SaskPower .....	2,962,857			
(Callable in whole but not in part on any interest payment date on or after November 3, 1995; Payable at any Canadian branch of the Royal Bank of Canada)									
Jan. 9/91	Jan. 9/01	11	Semiannual	Can.	GRF .....	285,000,000			
(Non-callable; Payable at any Canadian branch of the Royal Bank of Canada)									
April 1/76	April 1/01	10 1/4	Semiannual	Can.	SaskPower .....	50,000,000			
(Callable April 1, 1996 in whole or on any interest payment date thereafter; Payable at any Canadian branch of the Royal Bank of Canada)									
April 10/91	April 10/01	10.57	Annual	Can.	GRF .....	145,360,000	145,360,000	-	-
(The original issue of 7 1/2% 200,000,000 Swiss Franc debentures has been swapped to Canadian dollars with an effective cost of funds of 10.57%; Non-callable; Payable in Zurich)									
March 28/91	June 1/01	10 1/4	Semiannual	Can.	GRF .....	150,000,000	150,000,000	-	-
(Non-callable; Payable at any Canadian branch of the Royal Bank of Canada)									
March 28/91	June 1/01	8 3/4	Semiannual	Can.	CIC .....	150,000,000	150,000,000	-	-
(Non-callable; Payable at any Canadian branch of the Royal Bank of Canada)									
Feb. 1/77	Feb. 1/02	9	Semiannual	Can.	SaskPower .....	50,000,000			
(Callable February 1, 1997 or on any interest payment date thereafter in whole but not in part; Payable at any Canadian branch of the Royal Bank of Canada)									
July 29/92	July 29/02	8 3/4	Semiannual	Can.	GRF .....	47,700,000	47,700,000	-	-
(The original 6.04% 5,000,000,000 Japanese Yen loan has been converted by forward contract to Canadian dollars resulting in an all-in-cost of 8 3/4%; Non-callable; Payable in Tokyo)									
Sept. 30/92	Sept. 30/02	8.21	Semiannual	Can.	GRF .....	49,613,664	49,613,664	-	-
(The original 6% 5,000,000,000 Japanese Yen loan has been converted by forward contract to Canadian dollars resulting in an all-in-cost of 8.21%; Non-callable; Payable in Tokyo)									
Dec. 1/82	Dec. 1/02	13	Semiannual	Can.	SaskTel.....	68,088,000			
(Callable in whole but not in part on any interest payment date on or after December 1, 2000; Payable at any Canadian branch of the Royal Bank of Canada)									
					SaskPower .....	75,000,000	143,088,000	37,007,656	1,430,880

## **General Revenue Fund Public Issue Debentures**

## General Revenue Fund Public Issue Debentures

Date of Issue	Date of Maturity	Interest Rate %	Interest Payments	Currency	Purpose of Issue	Amount Outstanding	Total Issue Outstanding	Equity of Applicable Sinking Fund	Sinking Fund Contribution 1994-95
March 15/93	March 15/08	7 1/8	Semiannual	U.S.	SaskPower ..... SaskTel .....	204,000,000 46,000,000	250,000,000*	7,191,507	3,483,750
(Non-callable; Payable in New York)									
Jan. 18/90	Jan. 18/10	10	Semiannual	Can.	GRF .....	300,000,000	300,000,000	18,714,377	3,000,000
(Non-callable; Payable at any Canadian branch of the Royal Bank of Canada)									
Feb. 2/93	Feb. 1/13	8	Semiannual	U.S.	GRF .....	400,000,000	400,000,000*	11,515,468	5,634,400
(Non-callable; Payable in New York)									
July 20/93	July 15/13	7 3/8	Semiannual	U.S.	GRF .....	225,000,000 75,000,000	300,000,000*	4,436,516	4,146,900
(Non-callable; Payable in New York)									
March 14/91	April 10/14	10 1/4	Semiannual	Can.	GRF .....	583,916,000	583,916,000	21,013,034	5,839,160
(Non-callable; Payable at any Canadian branch of the Royal Bank of Canada)									
Dec. 1/65	Dec. 1/15	5 1/8	Semiannual	Can.	GRF .....	1,524,634 U. of S. ....	1,951,283	—	—
(Payable in blended semi-annual payments of principal and interest totalling \$76,399.60. Prepayable in whole or in part any time prior to December 1, 2015, without penalty; Payable in Ottawa)									
Dec. 20/90	Dec. 15/20	9 1/8	Semiannual	U.S.	GRF .....	100,000,000 SaskPower .....	300,000,000*	12,174,762	2,750,400
(Non-callable; Payable in New York)									
Feb. 26/91	Feb. 15/21	9 1/8	Semiannual	U.S.	GRF .....	200,000,000	200,000,000*	12,013,261	2,817,200
(Non-callable; Payable in New York)									
Feb. 4/92	Feb. 4/22	9.6	Semiannual	Can.	SaskPower .....	250,000,000 SaskWater .....	265,000,000	7,390,084	2,650,000
(Non-callable; Payable at any Canadian branch of the Royal Bank of Canada)									
July 21/92	July 15/22	8 1/2	Semiannual	U.S.	GRF .....	100,000,000 SaskPower .....	300,000,000*	8,885,244	4,146,900
(Non-callable; Payable in New York)									
* Adjustment to reflect conversion of debentures quoted in foreign currencies to Canadian dollars using the exchange rate in effect at March 31, 1995 (U.S. \$1.3990)							718,200,000	—	—
							12,141,488,978	422,228,184	46,385,580
Various debentures issued to finance union hospital debt								4,186,031	—
<b>Total</b>								<b>\$ 12,145,675,009</b>	<b>\$ 422,228,184</b>
									<b>\$ 46,385,580</b>

## General Revenue Fund

### Debentures Issued to the Minister of Finance of Canada

Date of Issue	Date of Maturity	Interest Rate %	Amount Outstanding
<b>Canada Pension Plan Investment Fund*</b>			
April, 1975 – March, 1976	April, 1995 – March, 1996**	8.89	\$ 62,596,000
April, 1976 – March, 1977	April, 1996 – March, 1997	9.05	65,338,000
April, 1977 – March, 1978	April, 1997 – March, 1998**	9.04	69,290,000
April, 1978 – March, 1979	April, 1998 – March, 1999	9.56	76,002,000
April, 1979 – March, 1980	April, 1999 – March, 2000	10.58	82,345,000
April, 1980 – March, 1981	April, 2000 – March, 2001	12.70	87,129,000
April, 1981 – March, 1982	April, 2001 – March, 2002	16.67	109,647,000
April, 1982 – March, 1983	April, 2002 – March, 2003	14.67	110,084,000
April, 1983 – March, 1984	April, 2003 – March, 2004	11.60	109,328,000
April, 1984 – March, 1985	April, 2004 – March, 2005	13.37	104,274,000
April, 1985 – March, 1986	April, 2005 – March, 2006	11.48	112,507,000
April, 1986 – March, 1987	April, 2006 – March, 2007	10.40	133,709,000
April, 1987 – March, 1988	April, 2007 – March, 2008	10.40	88,333,000
April, 1988 – March, 1989	April, 2008 – March, 2009	9.92	93,932,000
April, 1989 – March, 1990	April, 2009 – March, 2010**	10.10	101,867,000
April, 1990 – March, 1991	April, 2010 – March, 2011**	10.85	90,318,000
April, 1991 – March, 1992	April, 2011 – March, 2012	9.92	90,664,000
April, 1992 – March, 1993	April, 2012 – March, 2013	9.37	62,705,000
			1,650,068,000
<b>The Municipal Development Loan Fund</b>			
1964 – 1967	1995 – 2007	5.375 – 5.625	83,785
<b>Agricultural Service Centres Loan Agreement</b>			
1976 – 1985	1995 – 2004	7.310 – 10.390	2,331,185
<b>Total</b>			<b>\$1,652,482,970</b>

\* Canada Pension Debentures have a 20 year maturity, are not callable by the Province, and are redeemable at the option of the Minister of Finance of Canada on six months notice in certain circumstances relating to the CPP's funding and solvency requirements. The interest rates shown are on a weighted average basis.

\*\* Subject in part to annual sinking funds; equity in sinking funds at March 31, 1995, \$12,676,619.

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